

By Mr. MAGNUSON: A bill (H. R. 7736) for the relief of William E. Beldin; to the Committee on Naval Affairs.

By Mr. O'CONNELL of Rhode Island: A bill (H. R. 7737) granting a pension to Mabel S. Pickup; to the Committee on Invalid Pensions.

By Mr. WADSWORTH: A bill (H. R. 7738) to extend the time within which Leo N. Munro may file suit on his war-risk insurance contract (T-4092077) under section 19 of the World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2813. By Mr. COFFEE of Washington: Resolution of Harper, Fragaria, and Olalla (Kitsap County) Precinct Assemblies of the Washington Commonwealth Federation, A. J. Buchanan, secretary, Olalla, Wash., urging that Congress forthwith support the President's judiciary reform legislation without amendment; to the Committee on the Judiciary.

2814. By Mr. CURLEY: Petition of the Brotherhood of Locomotive Firemen and Enginemen, endorsing President Roosevelt's court reform program; to the Committee on the Judiciary.

2815. By Mr. DALY: Resolution adopted by the Brotherhood of Locomotive Firemen and Enginemen, endorsing the President's proposal to enlarge the United States Supreme Court; to the Committee on the Judiciary.

2816. By Mr. PFEIFER: Petition of General Putnam Council, No. 78, Junior Order United American Mechanics, Brooklyn, N. Y., concerning House bill 6320; to the Committee on Ways and Means.

2817. By Mr. THOMAS of New Jersey: Resolution adopted by Benda Roehrich Post, No. 2867, Veterans of Foreign Wars of the United States, Garfield, N. J., on June 24, 1937, stating that the next battleship be named U. S. S. *New Jersey*, due to the fact that records show that since the destruction of the old battleship *New Jersey*, there has never been one to take its place; to the Committee on Military Affairs.

### SENATE

THURSDAY, JULY 1, 1937

(Legislative day of Tuesday, June 15, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 29, 1937, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2620. An act to amend the Hawaiian Homes Commission Act, 1920;

S. 2621. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

S. 2622. An act to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes;

S. 2652. An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes; and

S. 2653. An act to amend an act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the

issuance of certain bonds, and for other purposes", approved August 3, 1935.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6635) to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6692) making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate nos. 2, 5, and 16 to the bill and concurred therein; that the House had receded from its disagreement to the amendments of the Senate nos. 24, 26, and 79 to the bill and concurred therein severally with an amendment, in which it requested the concurrence of the Senate; and that the House adhered to its disagreement to the amendments of the Senate nos. 1, 47 to 77, inclusive, and 80, and also the amendment to the title of the bill.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 17), as follows:

*Resolved by the Senate (the House of Representatives concurring), That there shall be printed 30,000 additional copies of Senate Report No. 711, current session, on the bill (S. 1392) to reorganize the judicial branch of the Government, of which 7,000 copies shall be for the use of the Senate Document Room and 23,000 copies for the use of the House Document Room.*

The message further announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes; and

S. 2254. An act to amend section 460, chapter 44, title II, of the act entitled "An act to define and punish crimes in the District of Alaska and to provide a code of criminal procedure for said District", approved March 3, 1899, as amended.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 7274. An act to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards;

H. R. 7562. An act to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes;

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations;

H. J. Res. 379. Joint resolution authorizing Federal participation in the New York World's Fair, 1939;

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the Railroad Retirement Account, and other activities, and for other purposes; and

H. J. Res. 434. Joint resolution to amend the act entitled "An act to amend section 4471 of the Revised Statutes of the United States, as amended."

#### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 563. An act for the relief of E. W. Garrison;

H. R. 607. An act for the relief of Dorothy McCourt;  
 H. R. 1235. An act for the relief of John Brennan;  
 H. R. 1310. An act for the relief of Clifford R. George and Mabel D. George;  
 H. R. 1406. An act for the relief of Frank S. Walker;  
 H. R. 1689. An act for the relief of Dominga Pardo;  
 H. R. 1731. An act for the relief of Angelo and Auro Cataneo;  
 H. R. 1761. An act for the relief of Paul J. Francis;  
 H. R. 1851. An act for the relief of W. D. Davis;  
 H. R. 2404. An act for the relief of James Philip Coyle;  
 H. R. 2482. An act for the relief of Lonnie O. Ledford;  
 H. R. 2703. An act to provide for the representation of the United States Court of Appeals for the District of Columbia on the annual conference of senior circuit judges;  
 H. R. 2757. An act to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.;  
 H. R. 2774. An act for the relief of certain employees of the Division of Investigation, Department of the Interior, and certain disbursing officers of the Department of the Interior;  
 H. R. 2934. An act for the relief of Raymond E. Payne and Anna R. Payne;  
 H. R. 2983. An act for the relief of Mr. and Mrs. J. C. Porter;  
 H. R. 3002. An act for the relief of Timothy Joseph McCarthy;  
 H. R. 3075. An act for the relief of E. P. Lewis;  
 H. R. 3123. An act to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.;  
 H. R. 3262. An act for the relief of John H. Wykle;  
 H. R. 3284. An act to transfer Crawford County, Iowa, from the southern judicial district of Iowa to the northern judicial district of Iowa;  
 H. R. 3339. An act for the relief of Allie Rankin;  
 H. R. 3565. An act for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.;  
 H. R. 3809. An act for the relief of H. E. Wingard;  
 H. R. 3967. An act for the relief of Adele Fowlkes;  
 H. R. 4623. An act for the relief of C. O. Eastman;  
 H. R. 4679. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department; and Frank White, G. F. Allen, H. T. Tate, and W. O. Woods, former Treasurers of the United States;  
 H. R. 4682. An act for the relief of W. R. Fuchs;  
 H. R. 4711. An act to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as The Narrows, in the State of Washington;  
 H. R. 4942. An act for the relief of A. L. Mallery;  
 H. R. 5102. An act for the relief of Mr. and Mrs. Frank Muzio;  
 H. R. 5258. An act for the relief of the Jackson Casket & Manufacturing Co.;  
 H. R. 5337. An act for the relief of Charles B. Murphy;  
 H. R. 5438. An act for the relief of Richard T. Edwards;  
 H. R. 5496. An act for the relief of Willard Webster;  
 H. R. 5652. An act for the relief of Frank A. Smith;  
 H. R. 5848. An act to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;  
 H. R. 6049. An act to amend the Interstate Commerce Act;  
 H. R. 6144. An act to amend the Canal Zone Code;  
 H. R. 6230. An act for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration);  
 H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherds-

town, Jefferson County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 6436. An act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act;

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho;

H. R. 6763. An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land-bank commissioner's loans for a period of 2 years;

H. R. 7021. An act validating and confirming certain mineral patents issued for lands situated in township 5 south, range 15 east, Montana principal meridian, in the State of Montana;

H. J. Res. 41. Joint resolution authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama; and

H. J. Res. 349. Joint resolution authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments.

#### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate, by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On June 28, 1937:

S. 4. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough;

S. 119. An act to provide for the establishment of a Coast Guard station at or near Menominee, Mich.;

S. 713. An act to provide an appropriation for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosion at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926;

S. 1374. An act to provide for the establishment of a Coast Guard station at or near Manistique, Mich.;

S. 1984. An act for the protection of the northern Pacific halibut fishery;

S. 2242. An act to further amend an act entitled "An act to authorize the collection and editing of official papers of the Territories of the United States now in The National Archives", approved March 3, 1925, as amended; and

S. 2439. An act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation.

On June 29, 1937:

S. J. Res. 111. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

## CALL OF THE ROLL

Mr. LEWIS. Mr. President, as the presence of a quorum is necessary, I ask for a roll call.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	La Follette	Pope
Andrews	Connally	Lee	Radcliffe
Ashurst	Copeland	Lewis	Reynolds
Austin	Davis	Lodge	Robinson
Bailey	Donahey	Logan	Schwartz
Bankhead	Ellender	Loung	Schwellenbach
Barkley	Frazier	Lundeen	Sheppard
Berry	George	McAdoo	Shipstead
Bilbo	Gerry	McCarran	Steiwer
Black	Glass	McGill	Thomas, Okla.
Bone	Green	McKellar	Thomas, Utah
Borah	Guffey	McNary	Townsend
Bridges	Hale	Minton	Truman
Brown, N. H.	Harrison	Moore	Tydings
Bulkeley	Hatch	Murray	Vandenberg
Bulow	Hayden	Neely	Van Nuys
Burke	Herring	Nye	Walsh
Byrd	Hitchcock	O'Mahoney	Wheeler
Byrnes	Hughes	Overton	White
Capper	Johnson, Colo.	Pepper	
Caraway	King	Pittman	

Mr. LEWIS. I announce that the Senator from West Virginia [Mr. HOLT] and the Senator from Connecticut [Mr. MALONEY] are absent because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from Missouri [Mr. CLARK], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from Wisconsin [Mr. DUFFY], the Senator from Iowa [Mr. GILLETTE], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], and the Senator from New York [Mr. WAGNER] are detained from the Senate on important public business.

The Senator from South Carolina [Mr. SMITH] is unavoidably detained.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is necessarily absent.

Mr. SCHWELLENBACH. I announce that the senior Senator from Nebraska [Mr. NORRIS] is absent from the Senate because of illness.

The PRESIDENT pro tempore. Eighty-two Senators having answered to their names, there is a quorum present.

## HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 7274. An act to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards; to the Committee on Education and Labor.

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes; to the Committee on Appropriations.

H. J. Res. 379. Joint resolution authorizing Federal participation in the New York World's Fair, 1939; to the Committee on Commerce.

## OMAHA-COUNCIL BLUFFS MISSOURI RIVER BRIDGE

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2156) to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes, which was to strike out all after the enacting clause and insert:

That the time for completing the construction of the bridge at or near Farnam Street, authorized under the provisions of section 3 of the act entitled "An act to authorize the construction

of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States", approved June 10, 1930, as extended, is hereby further extended 1 year from June 10, 1938. It is hereby recognized that construction has been heretofore commenced under the provisions of section 3 of said act as extended, and said bridge may be constructed at any point, providing the west end of said bridge is within 2,000 feet of the center line of said Farnam Street, irrespective of the site of the commencement hereby recognized, subject to the approval of the War Department and the approval of either of the highway departments of the States of Iowa or Nebraska, all in accordance with and subject to the provisions of said act approved June 10, 1930, as extended, and as amended by this act.

Sec. 2. Any bridge constructed or to be constructed or owned and operated by the Omaha-Council Bluffs Missouri River Bridge Board of Trustees under said act of 1930, as herein amended, shall be deemed a Federal instrumentality for facilitating interstate commerce, improving the postal service, and providing for military and other governmental purposes.

Sec. 3. That in addition to the powers granted by said act of 1930, said the Omaha-Council Bluffs Missouri River Bridge Board of Trustees may acquire and purchase and thereafter operate any other bridge or bridges (including approaches) over the Missouri River, which (including approaches) abuts upon or enters into the corporate limits of either or both the cities of Omaha, Nebr., and Council Bluffs, Iowa, all in the manner provided by this act and said act of 1930, it being contemplated that all bridges owned and operated by said board will be so financed that the obligations incurred will be amortized and the travel over such bridge or bridges will be made free of tolls at the same time. It shall be obligatory upon said board that all toll revenues after paying the reasonable and proper charges of operation and maintenance and the accruing interest on the outstanding indebtedness be applied to the retirement of such indebtedness. The rate or rates of toll for crossing any bridge now or hereafter constructed which abuts upon or enters into the present corporate limits of both the cities of Omaha, Nebr., and Council Bluffs, Iowa, shall not be reduced below the rate or rates now in effect on existing bridges so long as any indebtedness of said board for the account of any bridge or bridges shall be outstanding and unpaid. To pay the cost of any such bridge or bridges so purchased the board may either separately, or in conjunction with the financing of any other bridge, issue bonds as provided in said act of 1930 as herein amended: *Provided*, That said board shall operate each of the bridges under its control and charge and collect such rates of toll for transit over same as will not reflect upon or impair the earnings of any other bridge operated by said board, or of which the construction was financed in whole or in part by a loan and a grant from the United States of America, or any agency or instrumentality thereof, to such extent as to adversely effect any outstanding bonds which may have been issued for account of such other bridge: *Provided further*, That the power granted in this section with respect to the acquisition and purchase of any other bridge shall not be exercised by said the Omaha-Council Bluffs Missouri River Board of Trustees until all terms of the proposed acquisition and purchase of any such bridge shall have been approved by the highway departments of the States of Iowa and Nebraska. The construction of no competing bridge shall hereafter be authorized, the operation of which will adversely affect such outstanding bonds, unless provision is otherwise made for the payment thereof: *Provided further*, That the rates of toll to be charged for transit over bridges operated by said board shall at all times be subject to regulation by the Secretary of War under the authority contained in the act of March 23, 1906.

Sec. 4. That either the State of Nebraska and the State of Iowa, separately or jointly, or the cities of Omaha and Council Bluffs, separately or jointly, or the counties of Douglas, Nebr., and Pottawattamie, Iowa, separately or jointly, may at any time acquire and take over all right, title, and interest in all of the bridges, including approaches, and including any interest in real property necessary therefor, then owned and operated by said board. It shall not be necessary to condemn or expropriate such property, but the said the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, its legal representatives and assigns, shall deliver same by proper instrument of conveyance; and no damages or compensation whatsoever shall be allowed for any such right, title, and interest, but such conveyance shall be made and taken subject to the bonds, debentures, or other instruments of indebtedness of said board, then outstanding, including accrued interest thereon. Such instrument of conveyance shall be executed and delivered within a period of 30 days after a written notice of such intention to take over such property.

Sec. 5. That in addition to the powers granted by said act of 1930, as extended, said the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, its legal representatives and assigns, are hereby granted power and authority to acquire, condemn, occupy and possess and use real estate and other property acquired for or devoted to a public use for park or other purposes by the State of Nebraska or the State of Iowa, or any governmental or political subdivision thereof, or any person or corporation which real estate or other property may be required for the location, construction, operation, and maintenance of such bridge and its approaches and highways leading thereto, upon making just compensation therefor, to be ascertained and paid according to the laws of such State,

and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

SEC. 6. Said bridge may be constructed with the aid of any Federal funds appropriated and apportioned to the States of Iowa and Nebraska, or either of them, for expenditure under the Federal Highway Act, as amended and supplemented, and the limitations of such act, as amended and supplemented, relating to the construction of toll bridges with Federal funds, and the use of tolls controlled for transit over bridges so constructed and operated shall not be applicable to the tolls authorized to be charged under the provisions of this act.

SEC. 7. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. BURKE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

#### OPERATIONS OF HOME OWNERS' LOAN CORPORATION IN CALIFORNIA (PT. 3, S. DOC. NO. 77)

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the Federal Home Loan Bank Board, transmitting, in further response to Senate Resolution 135 (submitted by Mr. McAdoo and agreed to May 20, 1937), data setting forth the names, titles, salaries, and addresses of employees of the Home Owners' Loan Corporation in its California offices during the fiscal years 1935 and 1936, and stating that similar data for the regional office personnel, will be transmitted as soon as such information is received and assembled, which, with the accompanying papers, was ordered to lie on the table and to be printed.

#### STANDARDS OF WEIGHTS AND MEASURES, ETC.

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation to define certain units and to fix the standard of weights and measures in the United States, which, with the accompanying papers, was referred to the Committee on Commerce.

#### PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a memorial of sundry citizens of Hartford, Conn., remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

He also laid before the Senate a resolution adopted by a mass meeting of so-called white-collar and professional W. P. A. workers of New York State, protesting against proposed quota cuts and dismissals of workers on cultural W. P. A. projects, which was referred to the Committee on Education and Labor.

He also laid before the Senate the statement of Frank E. Baker, president of the Milwaukee (Wis.) State Teachers College, and other citizens, embodying proposals for the prompt adoption of a more adequate educational program, which was referred to the Committee on Education and Labor.

He also laid before the Senate a telegram from members of the Chicago & North Western Railroad Passenger Trainmen's Club, of Chicago, Ill., expressing appreciation on behalf of themselves and their families for the recent enactment of the bill (H. R. 7519) to amend an act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes", approved August 29, 1935, which was ordered to lie on the table.

Mr. LODGE presented a petition of sundry citizens of Dorchester and vicinity, in the State of Massachusetts, favoring the enactment of legislation abolishing the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which was referred to the Committee on Banking and Currency.

Mr. COPELAND presented resolutions adopted by the American Labor Party of the Eleventh Assembly District and the Tremont American Labor Party Club of the Bronx, both of New York City, favoring the prompt enactment of the

pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Flushing, N. Y., favoring the prompt impeachment of any Federal official who fails to enforce the law, also the enactment of legislation to give just consideration to the rights of employers and nonunion labor, and the enactment of legislation to prohibit labor unions from contributing to political campaign funds, and to open the financial records of such unions to public investigation, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by a meeting of citizens of Ossining and Croton, N. Y., held under the auspices of the American League Against War and Fascism, protesting against the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense and promote peace, which was referred to the Committee on Finance.

#### REPORTS OF COMMITTEES

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 840) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., reported it with an amendment and submitted a report (No. 839) thereon.

He also, from the same committee, to which was referred the bill (S. 1880) to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippet, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", approved June 28, 1934, reported it without amendment and submitted a report (No. 840) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 2299) for the relief of M. M. Twichel, reported it with amendments and submitted a report (No. 841) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

S. J. Res. 158. Joint resolution to provide for the appointment of a delegate to the First Pan American Congress of Deaf Mutes (Rept. No. 843); and

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939 (Rept. No. 842).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2601) to provide for refund of amounts collected as tax under the Bankhead Cotton Act of 1934; the Kerr Tobacco Act, as amended; and the Potato Act of 1935, reported it with amendments and submitted a report (No. 844) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3251. A bill for the relief of Joseph A. Rudy (Rept. No. 845); and

H. R. 4246. A bill for the relief of N. C. Nelson (Rept. No. 846).

Mr. WHITE, from the Committee on Claims, to which was referred the bill (H. R. 3551) for the relief of Hans Everson, reported it with an amendment and submitted a report (No. 847) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 1086) for the relief of Weymouth Kirkland and Robert N. Golding, reported it without amendment and submitted a report (No. 848) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 606) for the relief of Mabel F. Hollingsworth, reported it with an amendment and submitted a report (No. 849) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 1420) for the relief of Dewey Jack Krauss, a minor, reported it without amendment and submitted a report (No. 850) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 4688. A bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed during a hurricane in Samoa on January 15, 1931 (Rept. No. 851); and

H. R. 4689. A bill to provide an additional sum for the payment of claims under the act entitled "An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931", approved January 21, 1936 (49 Stat. 2212) (Rept. No. 852).

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2232. A bill for the relief of E. Sullivan (Rept. No. 853); and

S. 2557. A bill for the relief of William T. J. Ryan (Rept. No. 854).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which was referred the bill (S. 2273) granting the Distinguished Service Cross to Col. John A. Lockwood, United States Army, retired, reported it with amendments and submitted a report (No. 855) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

S. 2115. A bill to amend section 77 of the Judicial Code, as amended, to transfer Clinch County from the southern district of Georgia to the middle district; and

H. R. 6358. A bill to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities (Rept. No. 856).

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COPELAND:

A bill (S. 2728) relative to salaries of librarians in the public schools of the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 2729) to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului town site, island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd.; to the Committee on Commerce.

By Mr. NYE:

A bill (S. 2730) to transfer from the Farm Credit Administration and certain agencies thereof to the Secretary of Agriculture certain notes and other evidences of indebtedness, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 2731) to protect the public health by regulating the importation of dairy products into the United States; to the Committee on Finance.

By Mr. MCADOO:

A bill (S. 2732) to regulate interstate and foreign commerce in agricultural products yielding exportable surpluses; to prevent unfair competition by forbidding the purchase of such products from producers for less than cost of production; to fix the value of money therein; to provide for the

orderly marketing of such products; to set up emergency reserves from, and to make loans on, certain export percentages; to authorize debentures for processed and manufactured agricultural products for export; to provide for the general welfare; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. MCGILL:

A bill (S. 2733) for the relief of Collin B. Myatt; to the Committee on Naval Affairs.

By Mr. MOORE:

A bill (S. 2734) authorizing the President to appoint Lincoln Ellsworth a lieutenant colonel in the Officers' Reserve Corps; to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 2735) for the relief of Sherman W. White; to the Committee on Claims.

By Mr. BAILEY:

A bill (S. 2736) for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows, to the Committee on Claims.

By Mr. HARRISON:

A bill (S. 2737) for the relief of Andrew Holliman; to the Committee on Military Affairs.

A bill (S. 2738) for the relief of Zebeldeen D. Smith; to the Committee on Naval Affairs.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 173) relative to the determination and payment of certain claims against the Government of Mexico; to the Committee on Foreign Relations.

#### FARMERS' HOME CORPORATION

Mr. O'MAHOONEY submitted several amendments intended to be proposed by him to the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States, and for other purposes, which were ordered to lie on the table and to be printed.

#### VISION—ADDRESS BY SENATOR COPELAND

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address by Senator COPELAND on the subject of Vision, delivered at the Pennsylvania State College of Optometry, Philadelphia, June 1, 1937, which appears in the Appendix.]

#### SETTLEMENT OF CLAIMS ARISING FROM TERMINATION OF OCEAN-MAIL CONTRACTS

[Mr. BILBO asked and obtained leave to have printed in the RECORD a report prepared by the United States Maritime Commission of the results of the negotiation for the settlement of claims arising out of the ocean-mail contracts which were terminated as of June 30, 1937, by act of Congress, as well as the Commission's program for the future, which was ordered to be printed in the Appendix.]

#### LABOR STANDARDS—STATEMENT BY WILLIAM GREEN

[Mr. BLACK asked and obtained leave to have printed in the RECORD a statement on fair labor standards, made by William Green, president of the American Federation of Labor, before the labor committees of the House and Senate, on June 4, 1937, which appears in the Appendix.]

#### FARMERS' HOME CORPORATION

Mr. BANKHEAD. I move that the Senate proceed to the consideration of Senate bill 106, the farm tenant bill, so-called.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Alabama.

The motion was agreed to, and the Senate proceeded to the consideration of the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States,

and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

# INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a privileged matter, being the conference report on House bill 6958, being the bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes. I ask unanimous consent for the immediate consideration of the report.

The PRESIDENT pro tempore. The report will be read. The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 19, 21, 27, 31, 33, 38, 45, 49, 50, 55, 56, 63, 82, 91, 92, 99, 100, 102, 103, 108, 110, 111, 120, 126, 127, and 128.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 10, 11, 13, 14, 17, 20, 22, 29, 36, 39, 40, 41, 42, 44, 47, 48, 51, 52, 57, 58, 59, 60, 61, 62, 64, 65, 66, 67, 68, 69, 70, 71, 72, 75, 76, 77, 79, 83, 84, 86, 88, 96, 101, 113, 115, 118, 122, 130, and 131, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$280,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$56,460"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$436,100"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$243,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$78,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$10,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$10,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$508,470"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$130,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "Provided further, That no part of this appropriation shall be available for expenditure in that part of the State of New Mexico embraced in the Navajo Indian Reservation, and not to exceed \$15,000 shall be available for expenditure in said State"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$950,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$275,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$625,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert "\$23,000"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and

agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$30,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$30,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "one physicians' cottage, \$7,500"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,047,500"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$900,000"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$700,000"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$60,000"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$315,000"; and the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,927,000"; and the Senate agree to the same.

Amendment numbered 112: That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$624,000"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$359,000"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$300,000"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$225,000"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,222,450"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 8, 12, 24, 28, 30, 35, 37, 46, 53, 54, 73, 74, 87, 89, 90, 93, 94, 95, 97, 98, 121, 123, 124, 125, 129, 132, 133, and 134.

CARL HAYDEN,  
KENNETH MCKELLAR,  
ELMER THOMAS,  
ALVA B. ADAMS,  
GERALD P. NYE,  
FREDERICK STEIWER,

Managers on the part of the Senate.

JED JOHNSON,  
J. G. SCRUGHAM,  
JAMES M. FITZPATRICK,  
CHAS. H. LEAVY,

Managers on the part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BORAH. Mr. President, I should like to inquire what changes, if any, the report makes in the bill as passed by the Senate?

Mr. HAYDEN. Mr. President, there was necessity for compromise on some amendments. The Senator from Idaho will recall that one of the principal increases made

by the Senate was in the appropriation for the Natchez Trace in Tennessee, Alabama, and Mississippi. The Senate authorized an appropriation of \$2,700,000. The conferees compromised on an appropriation of \$1,500,000.

The Senate conferees were successful in obtaining the increases provided for surveying the public lands under the General Land Office but could not persuade the House to allow the Senate increase for topographic mapping, which was for some \$350,000. The reclamation items which the Senate put in the bill remain practically the same.

The Senate increased the appropriation for investigation of the Colorado River drainage by \$100,000, to which the House would not agree.

The Senate adopted an amendment appropriating \$300,000 for general reclamation investigations. The House agreed to \$200,000 for that item.

Mr. McNARY. Mr. President, I should like to inquire what occurred to the vocational-education amendment, the appropriation for which, as I recall, was increased by the Senate?

Mr. HAYDEN. That item was not in conference. By a vote of the Senate, the Senate concurred in the House provision.

Mr. McNARY. Was the Hayden amendment accepted by the House?

Mr. HAYDEN. The so-called Hayden amendment was rejected by the Senate and was, therefore, not in conference.

Mr. POPE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Idaho?

Mr. HAYDEN. I yield.

Mr. POPE. Was the amendment appropriating the unexpended balances for reclamation projects retained in the bill?

Mr. HAYDEN. Yes; that was agreed to by the House.

Mr. CONNALLY. Mr. President, does the Senator recall a little amendment that was offered by the Senator from Texas?

Mr. HAYDEN. Yes, I do; and the Senate conferees labored with the House conferees to secure its retention in the bill. The House conferees, however, insisted that the provision would not apply because it attempted to affect another bill in the current year, whereas the proposal as originally adopted by the House related to the unexpended balances from prior years.

Mr. CONNALLY. That is true, and that was the reason the Senator from Texas offered the amendment. If it were not designed to have any effect, I do not think I would have offered it. I should like to ask the Senator from Arizona what the conclusion of the conferees is with respect to whether or not those allocations may be made now out of the new fund and allotted to reclamation surveys for carrying on projects which were formerly carried on?

Mr. HAYDEN. The understanding the House conferees had and which they insisted upon was that all provisions of the law are carried over by the legislation in the bill. Any authority heretofore possessed with respect to the fund continues to apply to the unexpended balances which the bill directs and authorizes to be carried over into the next fiscal year.

Mr. CONNALLY. Is that true of the new fund granted by the relief bill of \$1,500,000,000?

Mr. HAYDEN. It is not the understanding of anyone that those funds will be available except for work-relief projects, and it was so stated specifically in the relief measure; so that an allotment for public-works purposes could not be made out of the relief bill, as has been done on other occasions.

Mr. CONNALLY. The Senator from Arizona says that is the conclusion of the House conferees. What is the conclusion of the Senate conferees?

Mr. HAYDEN. We had to agree with them.

Mr. CONNALLY. Is it the view of the Senate conferees that the amounts are available and will continue to be available?

Mr. HAYDEN. Undoubtedly.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

#### APPROPRIATIONS FOR CERTAIN OPERATIONS OF FEDERAL GOVERNMENT UNPROVIDED FOR JULY 1, 1937

Mr. McKELLAR. From the Committee on Appropriations I report back favorably, without amendment, the bill (H. R. 7726) making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations. The urgency of the bill has been explained to the leader on the other side of the Chamber, and I think there will be no objection. I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the bill (H. R. 7726) making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That for defraying during the first half of the month of July 1937 all expenses of the necessary operations of the Federal Government, which, on July 1, 1937, remain unprovided with appropriations through the failure of enactment on or before such date of the supply bills customarily providing for such operations, there are hereby extended for and during such period all appropriations available for obligation for such expenses during the fiscal year ending June 30, 1937, in the same detail and under the same conditions, restrictions, and limitations as such appropriations were provided for on account of such fiscal year.

Sec. 2. To make effective the appropriations extended by section 1, there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of certain revenues, receipts, and funds, respectively, as such appropriations available for the fiscal year ending June 30, 1937, were appropriated, such sums as may be necessary for such first half of the month of July 1937.

Sec. 3. No greater amount shall be expended out of any appropriation provided by this act than an amount equal to one twenty-fourth of the appropriation available for like purposes for the fiscal year ending June 30, 1937.

Sec. 4. The total expenditures for the entire fiscal year ending June 30, 1938, out of the appropriations made by this act and the appropriations in the several pending supply bills shall not exceed in the aggregate the amounts finally appropriated, respectively, in such pending supply bills when they shall have been enacted into law.

Sec. 5. This act shall not be construed as authorizing the duplication of any special expenditure or providing for the execution of any purpose which was intended to be accomplished only once or done solely for or during the fiscal year ending June 30, 1937.

Sec. 6. (a) This act shall not apply to any expenses or operations of the Federal Government the annual appropriations for which for the fiscal year ending June 30, 1938, have been made on or before July 1, 1937.

(b) On such date or dates subsequently to July 1, 1937, as the several pending supply bills shall, respectively, become law, the appropriations made by this act and applicable to the expenses of operation covered by such pending supply bills shall no longer be available for obligation.

(c) Any appropriations in this act for such first half of the month of July 1937 for any expense of operation for which an appropriation is proposed in, but not finally made by any of, such pending supply bills when the same shall have become law shall cease to be available for obligation on the date upon which the supply bill in which such appropriation was proposed becomes a law; and any expenditure under any such appropriation in this act shall not be included in computing the total of expenditures under section 4 heretofore.

Sec. 7. The terms "supply bill" and "supply bills", when used in this act, mean one or more of the regular appropriation bills customarily enacted annually, and for the purposes of this act title II of the War Department Appropriation Act for the fiscal year 1937 shall be deemed such a supply bill.

Sec. 8. This act may be cited as the "Extension of Appropriations Act, 1938."

#### APPROPRIATIONS FOR CIVILIAN CONSERVATION CORPS, RAILROAD RETIREMENT ACCOUNT, ETC.

Mr. McKELLAR. From the Committee on Appropriations, I report back favorably, without amendment, the joint resolution (H. J. Res. 433) making appropriations for the fiscal

year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

Mr. President, the activities covered by the joint resolution include the Joint Committee on Tax Evasion and Avoidance, the Civilian Conservation Corps, the Railroad Retirement Board, the Department of Agriculture, and the Treasury Department. These are all matters of immediate importance. The Railroad Retirement Board Act has been passed. I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. McNARY. Mr. President, I merely desire to ask the Senator if these items are in the same category and status as the items discussed a moment ago in connection with another measure?

Mr. McKELLAR. They are. The Senator from Virginia [Mr. GLASS], the chairman of the Committee on Appropriations, asked me to submit this request.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 433) making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1938, for the following respective purposes:

#### LEGISLATIVE

##### JOINT COMMITTEE ON TAX EVASION AND AVOIDANCE

For payment of salaries and other expenses of the Joint Committee on Tax Evasion and Avoidance authorized by Public Resolution No. 40, approved June 11, 1937, including stenographic reporting services under contract without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), per-diem allowances in lieu of actual expenses of subsistence, traveling expenses, law books, books of reference, periodicals, newspaper clippings, and such other expenditures as the joint committee deems advisable, fiscal years 1937 and 1938, \$50,000, to be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House of Representatives.

##### PAYMENT OF PAGES

For the payment of 21 pages for the Senate and 47 pages for the House of Representatives, at \$4 per day each, for the period commencing July 1, 1937, and ending with the last day of the month in which the Seventy-fifth Congress adjourns sine die at the first session thereof, so much as may be necessary is appropriated for each legislative body.

#### EXECUTIVE

##### CIVILIAN CONSERVATION CORPS

For all authorized and necessary expenses to carry into effect the provisions of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, including personal services in the District of Columbia and elsewhere; the purchase and exchange of law books, books of reference, periodicals, and newspapers; rents in the District of Columbia and elsewhere; the purchase (including exchange), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles to be used only for official purposes; hire, with or without personal services, of work animals, animal-drawn and motor-propelled vehicles, and watercraft; printing and binding; travel expenses, including not to exceed \$2,000 for expenses of attendance at meetings concerned with the work of the Corps when specifically authorized by the Director; construction, improvement, repair, and maintenance of buildings, but the cost of any building erected hereunder shall not exceed \$25,000; and all other necessary expenses; fiscal year 1938, \$350,000,000, of which sum not to exceed \$200,000 may be expended for salaries and expenses of the office of the Director: *Provided*, That an enrollee in the Civilian Conservation Corps, or member, or former member, of the Military Establishment, who shall furnish blood from his or her veins for transfusion to the veins of an enrollee or discharged enrollee of the Civilian Conservation Corps undergoing treatment in a Government or civilian hospital authorized to treat such patient, shall be entitled to be paid therefor a reasonable sum not to exceed \$50: *Provided further*, That the employment of employees of the Emergency Conservation Work and of the cooperating Federal agencies whose compensation is paid from Emergency Conservation Work funds, as of June 30, 1937, and whose employment was not specifically terminated as of that date, may be continued without reappointment, subject to review by the Director.

##### RAILROAD RETIREMENT BOARD

Railroad retirement account: For an amount sufficient as an annual premium for the payments required under the Railroad

Retirement Act, approved August 29, 1935, and the Railroad Retirement Act, approved June 24, 1937, and authorized to be appropriated to the railroad retirement account established under section 15 (a) of the latter act, fiscal years 1937 and 1938, \$99,880,000, together with the unexpended balance of the appropriation for the payment of annuities to employees, representatives, widows, widowers, or dependent next of kin of employees, contained in the "Independent Offices Appropriation Act, 1937", and reappropriated in the "Independent Offices Appropriation Act, 1938": *Provided*, That such amount shall be available until expended for making payments required under said retirement acts, and the amount not required for current payments shall be invested by the Secretary of the Treasury in accordance with the provisions of said Railroad Retirement Act of June 24, 1937: *Provided further*, That all payments under sections 3, 4, and 5 of the Railroad Retirement Act, 1935, heretofore made from the appropriation contained in the "Independent Offices Appropriation Act, 1937", and reappropriated in the "Independent Offices Appropriation Act, 1938", shall be considered as having been made from the railroad retirement account herein established.

#### DEPARTMENT OF AGRICULTURE

Rent of buildings: Not to exceed \$30,000 of such funds available to the Department of Agriculture for the fiscal year 1938, as the Secretary of Agriculture may determine, may be transferred to the appropriation for rent of buildings in the District of Columbia for such Department for such fiscal year.

#### TREASURY DEPARTMENT

For the establishment of "the fund for the payment of Government losses in shipment", authorized by the "Government Losses in Shipment Act", \$500,000.

Sec. 2. The appropriations and authority with respect to appropriations contained herein shall be available from and including July 1, 1937, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1937, and the date of the enactment of this joint resolution in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

#### APPROPRIATIONS FOR MILITARY ESTABLISHMENT—CONFERENCE REPORT

Mr. COPELAND submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6692) making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, 8, 17, 22, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, and 78.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 10, 14, 18, 20, 25, 27, 30, 31, 42, and 46, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert "three hundred and fifty"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert "\$34,532,895"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,386,560"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,181,985"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$161,826,124"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,463,350"; and on page 15 of the bill, in line 7, after the comma following the word "camps", insert the word "and"; and on page 15 of the bill, commencing in line 8, strike out "the United States High Commissioner to the Philippine Islands, the United States Soldiers' Home, the nonmilitary activities of the Corps of Engineers, and the Panama Canal,"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "": *Provided*, That laundry charges, other than for service now rendered without charge, shall be so adjusted that earnings in conjunction with the value placed upon service rendered without charge shall aggregate an amount not less than \$50,000 below

the cost of maintaining and operating laundries and drycleaning plants"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "work authorized by the act approved May 6, 1937, at Fort Niagara, New York, \$54,000; for work authorized by the act approved May 14, 1937, at Camp Stanley, Texas, \$578,050; for"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$9,388,050"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$58,618,406"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$19,126,894"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "That the subappropriation for expenses, camps of instruction, and so forth, may be increased not to exceed \$625,000 by transfer from other sums appropriated in this Act under the heading 'National Guard', exclusive of pay for armory drills."; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$9,837,883"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,119,570"; and the Senate agree to the same.

The committee of conference report in disagreement amendments nos. 2, 5, 16, 24, 26, and 79.

Amendments nos. 1, 47 to 77, inclusive, and 80, and the title of bill are reported in disagreement, as they were not considered by conferees.

ROYAL S. COPELAND,  
CARL HAYDEN,  
ELMER THOMAS,  
JOHN H. OVERTON,  
MORRIS SHEPPARD,  
JOHN G. TOWNSEND, Jr.,  
WARREN R. AUSTIN,

*Managers on the part of the Senate.*

J. BUELL SNYDER,  
D. D. TERRY,  
JOE STARNES,  
ROSS A. COLLINS,  
CLARENCE CANNON,  
D. LANE POWERS,  
ALBERT J. ENGEL,

*Managers on the part of the House.*

Mr. COPELAND. Mr. President, I am about to move the adoption of the report, but before doing so I think an explanation should be made to the Senate. I am sure that the matter which I shall present will be of interest to every Senator, because it has to do with the rights of the Senate regarding appropriation bills.

During the 15 years of my membership in the Senate, and for a long time prior thereto, it has been the custom to embody all appropriations for the Military Establishment in one bill. This year the House, without any reference to or consultation with the Senate, undertook to, and actually did, separate the appropriations and embody them in two bills, one devoted to the strictly military activities—at least that was the intent—and a second to the nonmilitary activities of the Government. As I said the other day, the surgery was not complete, because we find remaining in the bill making appropriations for military activities matters which should have been transferred if the bill making appropriations for nonmilitary activities was to be made a perfect instrument.

The Senate Committee on Appropriations decided to blend the bills and to present them to the Senate as they have been presented through many years. Explanation was made to the Senate, and the Senate, by unanimous vote, decided to accept and act upon the bill in the usual form.

When the bill went to the House it excited some commotion. I find on page 6305 of the RECORD a statement made by the able Representative from Missouri [Mr. CANNON], from which I desire to quote a few words, as follows:

Mr. Speaker, the Constitution confers upon the House and the Senate, respectively, certain exclusive prerogatives. Among those reserved to the House by the Constitution is the right to originate revenue bills, and from the beginning of the Government the House has asserted and successfully maintained that the right to originate revenue bills also involves the right to initiate general appropriation bills.

Of course, we do not concede and cannot concede that the Constitution confers upon the House any such right to initiate general appropriation bills. One has but to read the Constitution itself, article I, section 7:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

No power is here given to the House to initiate appropriation bills. It is conceded by everybody—it always has been conceded—that revenue bills must originate in the House; but Mr. CANNON takes the position that this language is broad enough to include likewise appropriation bills.

He goes on to say:

That has been the uniform practice—

That is, the right to initiate appropriation bills—

and in keeping with that doctrine the House has formulated the general appropriation bills since the establishment of the Government. Of course, the right to originate general appropriation bills necessarily includes the right to determine the form and the manner in which they shall be presented, and from the beginning the number and scope of the various annual supply bills have been determined by the House with the acquiescence of the Senate. Only on one or two rare occasions has this right of the House been questioned, and in each such instance the Senate has promptly disavowed any intention of infringing on the constitutional prerogatives of the House and yielded without contention.

The last instance was in the second session of the Sixty-second Congress and was the occasion for an exhaustive study of the subject by Hon. John Sharp Williams, formerly minority leader of the House and at the time a Member of the Senate, which was published as a Senate document and which so conclusively confirmed the contention of the House that its right to originate the general supply bills and determine their form had not since been challenged until the receipt just now of a message from the Senate informing the House that the Senate has assumed the right to combine the two War Department appropriation bills by attaching the nonmilitary bill to the military bill as an amendment, with the comment on the floor that the action of the House in reporting and passing the bill was "surgery" and "not well performed."

I observe that Mr. McCORMACK, the able Representative from Massachusetts, said:

It is our duty to respect our rights as one of the two branches of the Congress. If we do not, nobody else will.

Mr. President, I am instructed by the Committee on Appropriations to say that we challenge the contention that it is the exclusive right of the House to determine the form and number of appropriation bills. We state that it is our conviction that we had and have the right to make such changes in the form and number of these bills as may seem to us wise. We are supposed, under our rules and under the Constitution, to have a free conference with the Members of the House. We have not had a free conference on this bill. The House conferees were instructed by the House, on motion of Mr. CANNON, that—

The managers \* \* \* be instructed not to agree to the Senate amendments to such bill nos. 47 to 77, inclusive, and 80, and not to agree to the amendment of the Senate amending the title of such bill.

Mr. President, we had no opportunity for a free conference.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. COPELAND. I yield.

Mr. AUSTIN. Did not the House conferees go beyond the limits of that authority and absolutely refuse even to confer upon the second part of the bill?

Mr. COPELAND. That is correct; and they were so solicitous that they wanted us to give publicity to their statement that they had refused to give any consideration to title II.

This is a matter of concern to every Member of the Senate. It is of particular concern to every member of the Appropriations Committee and other committees. We have been informed all too frequently in our conferences by the managers on the part of the House that they were not permitted to discuss or consider certain amendments which had been proposed by the Senate. We are just now having the same difficulty in connection with the conference on another bill, in another committee, where we are told that we must not do certain things because the House is definitely determined that it will positively not accept this or that action.

I am not reflecting upon the House or upon any Member of the House. I have often wished that I might have served in the House; but, as a Member of this body, I contend that we have rights, too, which we must stand for on all occasions. We feel, to put it mildly, that we have not been generously treated by the House in this particular matter.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. BARKLEY. Of course, we all recognize that while the House has the right to originate revenue bills, the Constitution itself provides that the Senate may amend such bills; and it has always been universally recognized that the Senate has the right to amend appropriation bills. In what regard does this particular amendment differ from any other amendment the Senate might put on an appropriation bill to such an extent as to make it proper for the House to refuse even to consider it?

Mr. COPELAND. I would not concede for a moment that it differs from any other amendment. In the case of the relief joint resolution the Senate added pages of amendments to it, one great group of amendments. We certainly have the right to make amendments; and we were within our rights, as I see it, when we made the amendments to this particular bill.

Mr. BARKLEY. While ordinarily amendments put on these bills by the Senate are given consideration not only by the House but in committee and in conference, what is there about this particular amendment which makes it offensive to such an extent that the House would not even consider it? That is what I cannot understand.

Mr. COPELAND. Of course, I can hardly answer that question without myself being offensive.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. COPELAND. I yield to the Senator from Arkansas.

Mr. ROBINSON. The question is further complicated by the fact that the amendment to which the Senator is now referring is substantially a House bill. It has passed the House of Representatives.

Mr. COPELAND. That is true. We have hardly deviated from it.

Mr. ROBINSON. As I remember, some changes were made in what is known as the nonmilitary bill by the Senate committee and by the Senate; but the changes were not very notable.

Mr. COPELAND. No; except as to flood control.

Mr. ROBINSON. On the whole, the Senate amendment was a House bill which the House itself had passed some time ago.

Mr. COPELAND. That is correct. We did not ruthlessly override the House in their wishes regarding the nonmilitary parts of the bill. We accepted them largely, almost entirely as they came from the House. The chief difference related to the appropriations for flood control. We knew the intense interest of the Senate in that particular matter, and we desired to make certain, if we could, that the great projects for flood control, reaching from Maine to California, should be carried out; but we did not disregard the thought of the House regarding the great bulk of the bill which is included in title II.

Mr. ROBINSON. Of course, as it appears to me, the issue involves a new policy with respect to legislating for the military department. The House has adopted a new plan without the concurrence of the Senate, and that involves a matter which might very well be considered by both bodies.

It is not a matter for the exclusive determination of either; and, like all questions that arise and become issues between the two Houses, it is to be worked out in conference. So it does seem that the action at the other end of the Capitol was arbitrary, to say the least.

Mr. COPELAND. I thank the Senator.

Mr. GLASS. Mr. President—

Mr. COPELAND. I yield to the Senator from Virginia.

Mr. GLASS. The whole issue is whether or not the Senate of the United States is a part of the legislative branch of the Government of this country; and it is perfectly absurd for anybody with good common sense who reads the provision of the Constitution on the subject to say that the Senate is not authorized either to originate or to amend appropriation bills.

The Constitution provides that bills for raising revenue shall originate in the House. Who will say that a bill to appropriate revenue, to spend revenue, is a bill for raising revenue?

The Senate committee unanimously directed the chairman of the subcommittee now having the floor to serve notice on the House that we did not accept their ridiculous interpretation of the Constitution of the United States on the subject.

Mr. COPELAND. Mr. President, those of us who work in the Appropriations Committee find it to be arduous work. It is entirely possible that the agricultural appropriation bill might be divided into a number of bills. The Department of Commerce bill could be similarly divided. We could multiply these bills and the labor of dealing with them. If it is in the public interest to do so, very well; but the Senate has a right to have a part in deciding whether or not that shall be the policy.

I am directed by the Appropriations Committee to serve notice that at some time when there is less pressure upon the Congress, and certainly when there is less need of immediate action regarding appropriation bills, we intend to assert vigorously our rights in the matter; and we say this with all respect to our colleagues at the other end of the Capitol.

Mr. President, having said all this, I move that the Senate adopt the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 6692, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,  
June 30, 1937.

*Resolved*, That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, and 16 to the bill (H. R. 6692) making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill and concur therein with the following amendment: In line 4 of the matter inserted by said Senate engrossed amendment, after "less", insert "to be used exclusively for runways";

That the House recede from its disagreement to the amendment of the Senate numbered 26 to said bill and concur therein with the following amendment: In lieu of the matter inserted by said amendment insert:

"For the acquisition of land in the vicinity of West Point, N. Y., as authorized by the act approved March 3, 1931 (46 Stat. 1491), \$431,000; and such sum, in conjunction with the appropriation of \$431,000 for a like purpose contained in the War Department Appropriation Act for the fiscal year 1937, without regard to the proviso attached to such former appropriation, shall be available until June 30, 1939: *Provided*, That in addition to the amount herein appropriated the Secretary of War may acquire by condemnation or may enter into contracts for the acquisition of land in the vicinity of West Point, as authorized by such act of March 3, 1931, to an additional amount not in excess of \$638,000, and his action in so doing in either case shall be deemed a contractual obligation of the Federal Government for the payment thereof: *Provided further*, That authorization is hereby repealed to acquire any land east of the west boundary of the Highway 9-W, or east of the west boundary of the Highway 9-W as it may be relocated by the State of New York prior to the acquisition of any land west of the present west boundary of such Highway 9-W."

That the House recede from its disagreement to the amendment of the Senate numbered 79 to said bill and concur therein with the following amendment:

In line 1 of the matter inserted by said Senate engrossed amendment strike out "4" and insert "3"; and in the last line of said amendment, after "section", insert: "Provided further, That at posts isolated from a convenient market the Secretary of War may broaden the nature of the articles to be sold"; and

That the House adhere to its disagreement to the amendments of the Senate numbered 1, 47 to 77, inclusive, and 80, and the amendment to the title to said bill.

Mr. COPELAND. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 24, 26, and 79.

The motion was agreed to.

Mr. COPELAND. I now move that the Senate recede from its amendments still in disagreement, and its amendment to the title of the bill.

The motion was agreed to.

Mr. ROBINSON. Mr. President, I should like to ask the Senator from New York to tell the Senate the status of the military appropriations, and the status of the nonmilitary appropriations. In what condition does this action leave them?

Mr. COPELAND. Mr. President, title I of the Senate bill, which is the military part, has now been agreed to by both Houses, and on my motion, just made, we receded from the amendments which covered the nonmilitary appropriations.

I now wish to present to the Senate for immediate action House bill 7493, as amended by the Senate committee and by the Senate to cover the nonmilitary item, so that the House will be in the position of having two bills, as it desires.

Mr. ROBINSON. In other words, that puts the Senate in the position of completely yielding to the House?

Mr. COPELAND. Yes.

Mr. ROBINSON. I wish to add that I do not understand that any question as to the right to originate appropriation bills is involved in the controversy over the nonmilitary appropriations. As I pointed out sometime ago, the House passed that amendment in the form of a separate bill, and the Senate merely exercised its right to amend the provisions.

There is nothing in the Constitution, as was said by the Senator from Virginia, which gives either body the exclusive right to originate appropriation bills. General appropriations, by common practice, have usually, if not always heretofore, originated in the body at the other end of the Capitol. But certainly a bill to spend money is not a bill to "raise revenues." The idea is inconsistent with any sound theory that the provision in the Constitution requiring bills for raising revenue to originate in the House could be extended to cover bills to authorize the expenditure of money. Neither in law nor in reason could such a construction be placed on the constitutional provision. However, there has existed the practice of originating general appropriation bills in the House of Representatives. I have no objection to continuing that practice. What I object to is the arbitrary and apparently unreasonable procedure on the part of another body by which it would deny the Senate the admitted right, which it has always exercised, of amending appropriation bills.

The question of the change in policy is one which is of interest and importance to both bodies and to the country. There may be good reason for adopting a new policy of passing two bills instead of one in relation to the military expenditures, but what I maintain is that that is not for the exclusive determination of either body. It is to be decided in the same way in which other questions at issue are decided, namely, in conference.

Mr. BANKHEAD and Mr. AUSTIN addressed the Chair.

The PRESIDENT pro tempore. The Chair understood the Senator from Alabama to yield the floor.

Mr. BANKHEAD. I yielded to the Senator from New York with the understanding that he desired to take up a conference report. That was done, and the conference report was agreed to. Now I understand he is presenting an original bill from the House of Representatives. I do not think the Senator ought to press that bill at this time.

Mr. COPELAND. I do not see how it could take much, if any, time, because it is simply a reenactment of what we have already done.

Mr. BANKHEAD. If it does not lead to debate, I will yield.

#### APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT

Mr. COPELAND. I appreciate very greatly the courtesy of the Senator from Alabama.

From the Committee on Appropriations I now report back favorably, with amendments, the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, and I submit a report (No. 833) thereon. I ask unanimous consent for the present consideration of the bill. It is practically in the form in which the bill came from the House, with the amendments which the Senate previously agreed to. It is practically identical with the language of the amendment which the Senate adopted as title 2 of the first bill.

Mr. AUSTIN. Mr. President, I do not intend to object, but I wish to make a brief statement. The action of the Senate in respect of separating the two parts of this bill must be understood to be without prejudice on the question of a conference between the two Houses. We have never in our conferences upon this matter assented to the claims made by the House, but have persistently denied them. This is an act of expediency only, and we prefer to meet the issues directly as soon as the opportunity shall be given to challenge the attempt of the House to deny a free conference, which was denied in this case. I think the RECORD should show that by no means do we admit the claim of the House.

Mr. McNARY. Mr. President, the parliamentary status, as I understand, is that the Senator from Alabama has had his bill, the farm tenancy bill, made the unfinished business.

The PRESIDENT pro tempore. That is true.

Mr. McNARY. And the Senator from New York asked unanimous consent to have considered one of the War Department appropriation bills.

The PRESIDENT pro tempore. And to temporarily lay aside the unfinished business.

Mr. McNARY. I did not understand that to be the request. I was wondering whether it was an attempt to supersede the unfinished business or to temporarily lay it aside.

Mr. COPELAND. I wish to temporarily lay it aside, if that is agreeable to the Senator from Alabama and to move that all the parts of the bill, as now presented, which have been acted upon by the Senate, be reapproved, and that two or three very minor amendments may be stated by the clerk.

Mr. GLASS. Mr. President, I do not intend to prolong the discussion. I rise merely to say that I agree with every word the Senator from Arkansas [Mr. ROBINSON] has conservatively said, except that I would have said it in a more radical way. As chairman of the Committee on Appropriations of the United States Senate I do not intend to have any conference hereafter with House committees that may decide to refuse to consider anything the Senate does. I serve notice on them that hereafter we will refuse to have a conference that is not a free conference.

Mr. COPELAND subsequently said: Mr. President, this morning there was an interesting discussion about the right of the Senate to initiate appropriation bills. In connection with the debate reference was made to an article presented in this body by the late Senator John Sharp Williams on the 15th of July 1912. The article was printed as a Senate document, and as the document is rare I ask unanimous consent that it be included in the RECORD as a part of my remarks.

Of course, it is presumptuous for me to say it, but I make this request with a feeling that Senator Williams was mistaken in his conclusion. Nevertheless, I assume that the debate may be read by someone, and reference having been

made to this matter, and its importance urged, I feel that the record should be complete.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

#### THE SUPPLY BILLS

(By Hon. John Sharp Williams, concerning the constitutional power of the House of Representatives to originate supply bills)

[From Elliot's Proceedings]

Among the resolutions offered by Mr. Edmund Randolph to the Convention, May 29, 1787, I find the following:

"Resolved, That each branch ought to possess the right of originating acts; that the National Legislature ought to be empowered to enjoy the legislative right vested in Congress by the confederation; and, moreover, to legislate in all cases to which the separate States are incompetent, or in which the harmony of the United States may be interrupted by the exercise of individual legislation; to negative all laws passed by the several States, contravening, in the opinion of the National Legislature, the articles of union, or any treaty subsisting under the authority of the Union; and to call forth the force of the Union against any member of the Union failing to fulfill its duty under the articles thereof."

From Mr. Charles Pinckney's Draft of a Federal Government, I quote the following:

"All money bills of every kind shall originate in the House of Delegates and shall not be altered by the Senate." [Italics mine.]

Thursday, July 5, 1787. "The committee to whom were referred the eighth resolution reported from the Committee of the Whole House, and so much of the seventh as hath not been decided on", submitted a report, from which I quote the following:

"That all bills for raising or appropriating money, and for fixing the salaries of the officers of the Government of the United States, shall originate in the first branch of the legislature and shall not be altered or amended by the second branch." [Italics mine.]

On the question as to whether this clause should stand as a part of the report, it passed in the affirmative.

On Monday, July 16, 1787, the question being taken on the whole of the report from the grand committee as amended, it passed in the affirmative. From the report, as passed, I quote the following:

"Resolved, That all bills for raising or appropriating money, and for fixing the salaries of the officers of the Government of the United States, shall originate in the first branch of the Legislature of the United States and shall not be altered or amended by the second branch." [Italics mine.]

From the resolutions of the Convention, referred on the 23d and 26th of July to a committee of detail (Messrs. Rutledge, Randolph, Gorham, Ellsworth, and Wilson) for the purpose of reporting a Constitution, I quote the following:

"X. Resolved, That all bills for raising or appropriating money, and for fixing the salaries of the officers of the Government of the United States, shall originate in the first branch of the Legislature of the United States and shall not be altered or amended by the second branch." [Italics again mine.]

From the draft of the Constitution, reported by the committee of five, August 6, 1787, I quote as follows:

"Sec. 5. All bills for raising or appropriating money, and for fixing the salaries of the officers of the Government, shall originate in the House of Representatives and shall not be altered or amended by the Senate. No money shall be drawn from the Public Treasury but in pursuance of appropriations that shall originate in the House of Representatives." [Italics again mine.]

On Monday, August 13, 1787, it was moved by Mr. Randolph, and seconded, to amend the fifth section of the fourth article to read as follows, namely:

"All bills for raising money for the purposes of revenue or for appropriating the same shall originate in the House of Representatives and shall not be altered by the Senate, etc."

Note here it is: "Raising money for the purposes of revenue." Distinction between "raising money" and raising "revenue."

The question was taken on the first clause of this amendment, which passed in the negative.

On Wednesday, August 15, 1787, it was moved and seconded to amend the twelfth section of the sixth article, as follows:

"Each House shall possess the right of originating all bills, except bills for raising money for the purposes of revenue, or for appropriating the same, and for fixing the salaries of the officers of the Government, which shall originate in the House of Representatives, but the Senate may propose or concur with amendments, as in other cases."

It was moved and seconded to postpone the consideration of the last amendment, which was passed in the affirmative.

Yeas: New Hampshire, Massachusetts, Virginia, North Carolina, South Carolina, Georgia—6. Nays: Connecticut, New Jersey, Pennsylvania, Delaware, Maryland—5.

Note: The small States in the negative.

On Saturday, September 8, 1787, it was moved and seconded to amend the third clause of the report, entered on the journal of the 5th instant, to read as follows, instead of the twelfth section, sixth article:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills. No money shall be drawn from the Treasury but in consequence of appropriations by law."

Which passed in the affirmative.

No discussion. Evidently nobody thought that it made a difference from previous drafts. Why? Because the phrase "raising revenue" was equivalent to the phrase "raising money and appropriating the same."

Ayes: New Hampshire, Massachusetts, Connecticut, New Jersey, Pennsylvania, Virginia, North Carolina, South Carolina, Georgia—9. Nays: Delaware, Maryland—2.

This time only the two smallest States vote "nay", they still sticking for their branch of the National Legislature—the Senate—to have right to originate.

It was moved and seconded to appoint a committee of five "to revise the style of, and arrange" the articles agreed to by the House which passed in the affirmative.

Note what I have italicized in the foregoing sentence.

September 12, 1787. From a revised draft of the Constitution, reported September 12, 1787, by the committee of revision of style, I quote the following from section 7:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills."

As reported by the committee appointed on September 8 to revise the style. No discussion.

Seems still evident that to "raise revenue" meant to raise money and appropriate it.

[From Yate's Minutes]

On Tuesday, July 3, 1787, the grand committee met. From a motion of Dr. Franklin, which, after some modification, was agreed to, and made the basis of a report to the committee, I quote the following:

"That bills for raising or appropriating money and for fixing salaries of the officers of the Government of the United States shall originate in the first branch of the legislature, and shall not be altered or amended by the second branch; and that no money shall be drawn from the Public Treasury but in pursuance of appropriations to be originated in the first branch."

This is the history of the clause up to its report by the Committee on Revision and Style and Arrangement and its adoption by the convention. Meager, but, to my mind, conclusive.

In the consideration of the adoption of the Constitution by the several States in their conventions I find nothing in the discussions in Massachusetts, Connecticut, New Hampshire, New York, Pennsylvania, or Maryland which is significant, unless it be because the absence of discussion shows that they notice no variance between the provisions of the Constitution and the several provisions of the several States requiring money or supply bills to originate in the lower houses. When I come to the proceedings of the State of Virginia, however, I find that Mr. Madison, in his argument in advocacy of the adoption of the constitution of the Virginia convention, uses the following language:

"Mr. Chairman, the criticism made by the honorable Member is that there is an ambiguity in the words, and that it is not clearly ascertained where the origination of money bills may take place. I suppose the first part of the clause is sufficiently expressed to exclude all doubts. The gentlemen who composed the convention divided in opinion concerning the utility of confining this to any particular branch. Whatever it may be in Great Britain, there is sufficient difference between us and them to render it inapplicable to this country. It has always appeared to me to be a matter of no great consequence whether the Senate had a right of originating or proposing amendments to money bills or not. To withhold it from them would create a disagreeable dispute. Some American constitutions make no difference. Virginia and South Carolina are, I think, the only States where this power is restrained. In Massachusetts and other States the power of proposing amendments is vested unquestionably in their senates. No inconvenience has resulted from it. On the contrary, with respect to South Carolina, this clause is continually a source of dispute. When a bill comes from the other house the senate entirely rejects it, and this causes contentions. When you send a bill to the senate without the power of making any alteration, you force them to reject the bill altogether when it would be necessary and advantageous that it should pass.

The power of proposing alterations removes this inconvenience, and does not appear to me at all objectionable. I should have no objection to their having a right of originating such bills. \* \* \* There is no landmark or constitutional provision in Great Britain which prohibits the House of Lords from intermeddling with money bills; but the House of Commons have established this rule. Let the lords insist on their having a right to originate them, as they possess great property, as well as the commons, and are taxed like them. The House of Commons object to their claim, lest they should too lavishly make grants to the Crown and increase the taxes. \* \* \* When a bill is sent with proposed amendments to the House of Representatives, if they find the alterations defective, they are not conclusive. The House of Representatives are the judges of their propriety, and the recommendation of the Senate is nothing.

Mr. Madison here uses the words "money bills" as synonymous with "bills to raise revenue." Power to originate important, lest upper House be "too lavish in their grants." Says House of Representatives are "the judges of the propriety of money bills, and the recommendation of the Senate is nothing."

Mr. Grayson, arguing upon the other side, made use of the following language:

"The Senate could strike out every word of the bill, except the word 'whereas', or any other introductory word, and might substitute new words of their own."

Friday, July 25, 1788. In the North Carolina convention I find that Mr. Iredell, arguing in favor of the adoption of the Constitution, urged this clause specially on the ground that the "House of Representatives would be more numerous than the Senate"; that "they will represent the immediate interests of the people, etc.", showing that Mr. Iredell regarded the phrase "money bills" as synonymous with the phrase "bills to raise revenue." I find further on that Mr. Iredell, in another speech to the same convention, identifies the right given to the House of Representatives with that already enjoyed by the House of Commons in Great Britain, as is shown by the following quotation of his language:

"Yet the Commons have generally been able to carry everything before them. The circumstances of their representing the great body of the people alone gives them great weight. This weight has great authority added to it by their possessing the right (a right given to the people's representatives in Congress) of exclusively originating money bills."

Note the significance of the parenthesis above.

He continues:

"The authority over money will do everything. A government cannot be supported without money. Our Representatives may at any time compel the Senate to agree to a reasonable measure by withholding supplies till the measure is consented to. There was a great debate in the convention whether the Senate should have an equal power of originating money bills. It was strongly insisted by some that it should; but at length a majority thought it unadvisable, and the clause was passed as it now stands. I have reason to believe that our Representatives had a great share in establishing this excellent regulation, and in my opinion they deserve the public thanks for it."

And still later, in reinforcing the same contention, he uses the following language:

"It is contended by that gentleman that the addition of the power of making treaties to the other powers will make the Senate dangerous; that they would be even dangerous to the representatives of the people. The gentleman has not proved this in theory. Whence will he adduce an example to prove it? What passes in England directly disproves his assertion. In that country the representatives of the people are chosen under undue influence—frequently by direct bribery and corruption. They are elected for 7 years, and many of the members hold offices under the Crown—some during pleasure, others for life. They are also not a genuine representation of the people, but, from a change of circumstances, a mere shadow of it. Yet under these disadvantages, they having the sole power of originating money bills, it has been found that the power of the King and lords is much less considerable than theirs. The high prerogatives of the King and the great power and wealth of the lords have been more than once mentioned in the course of the debates. If under such circumstances such representatives—mere shadows of representatives—by having the power of the purse and the sacred name of the people to rely upon are an overmatch for the King and lords, who have such great hereditary qualifications, we may safely conclude that our own representatives, who will be a genuine representation of the people, and having equally the right of originating money bills, will at least be a match for the Senate, possessing qualifications so inferior to those of the House of Lords in England."

In the House of Representatives, March 2, 1797, Mr. Nicholas said:

"The power of this House to control appropriations has been settled. It was indeed an absurdity to call a body a legislature and at the same time deny them a control over the public purse. If it were not so, where would be the use of going through the forms of that House with a money bill? The Executive might as well draw upon the Treasury at once for whatever sum he might stand in need of. A doctrine like this would be scouted even in despotic countries."

"Note: When he says 'that House' he means the House of Representatives, referring back with his relative to his first sentence."

In the Federalist, that great book whose articles were written by Hamilton, Madison, and Jay—in no. 57 of the Federalist, published in the New York Packet on Friday, February 22, 1788—I find language which I shall quote at large, a part of which I have put in italics as an easy way of bringing it to the attention of the reader. This article, in my opinion, judging by the style of it, was written by Alexander Hamilton. It is more interesting than Jay's style and less diffuse than Mr. Madison's. Next to Mr. Madison himself, Mr. Hamilton perhaps knew better what the Constitutional Convention intended than almost any other one man.

Although in some of the editions of the Federalist this number is attributed to Mr. Madison and in some others to Mr. Hamilton, in a majority of the sources of information, as far as I had time to run it down, the number is attributed to Mr. Madison; but in my opinion, as I said above, the better authority is that Hamilton wrote it, and the style is that of Alexander Hamilton.

I quote from the article as follows:

"These considerations seem to afford ample security on this subject, and ought alone to satisfy all the doubts and fears which have been indulged with regard to it. Admitting, however, that they should all be insufficient to subdue the unjust

policy of the smaller States, or their predominant influence in the councils of the Senate, a constitutional and infallible resource still remains with the larger States, by which they will be able at all times to accomplish their just purposes. The House of Representatives cannot only refuse, but they alone can propose, the supplies requisite for the support of the Government. They, in a word, hold the purse; that powerful instrument by which we behold, in the history of the British Constitution, an infant and humble representation of the people gradually enlarging the sphere of its activity and importance, and finally reducing, as far as it seems to have wished, all the overgrown prerogatives of the other branches of the Government. This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people for obtaining a redress of every grievance and for carrying into effect every just and salutary measure.

"But will not the House of Representatives be as much interested as the Senate in maintaining the Government in its proper functions; and will they not, therefore, be unwilling to stake its existence or its reputation on the pliancy of the Senate? Or if such a trial of firmness between the two branches were hazarded, would not the one be as likely first to yield as the other? These questions will create no difficulty with those who reflect that in all cases the smaller the number and the more permanent and conspicuous the station of men in power the stronger must be the interest which they will individually feel in whatever concerns the Government. Those who represent the dignity of their country in the eyes of other nations will be particularly sensible to every prospect of public danger, or of a dishonorable stagnation in public affairs. To those causes we are to ascribe the continual triumph of the British House of Commons over the other branches of the Government whenever the engine of a money bill has been employed. An absolute inflexibility on the side of the latter, although it could not have failed to involve every department of the State in the general confusion, has neither been apprehended nor experienced. The utmost degree of firmness that can be displayed by the Federal Senate or President will not be more than equal to a resistance, in which they will be supported by constitutional and patriotic principles."

You will note that his language is that the "House of Representatives cannot only refuse but they alone can propose the supplies requisite for the support of the Government." He adds, "They, in a word, hold the purse, etc." This demonstrates beyond challenge that in the mind of Mr. Hamilton the phrase "bills to raise revenue" was synonymous with the old English phrase, "supply bills", or, what we call in American phraseology now, "general appropriation bills", as contradistinguished from "special appropriation bills"; that is to say, appropriations for the Army and Navy, executive, legislative, and judicial departments.

Gentlemen have contended that while the practice of the Government was in accordance with my contention, that practice was not founded upon any constitutional warrant. I place against their opinion the opinions of Hamilton and of Madison and of Iredell and of Nicholas (all, if I mistake not, members of the Constitutional Convention), but above all, I place the fact that when the committee on the revision of style reported the present phraseology that it excited no remark and no discussion, which is self-evident proof of the fact that in the opinion of the members of the Constitutional Convention it was a mere change of style or expression and not a change of substance, and that what was meant in their minds by the phrase "bills to raise revenue" was the same thing as is meant by the phrase "bills to raise money and to appropriate the same", or by the phrase "money bills", or by the phrase "supply bills", all of which, in their minds at that time, were synonymous.

Mr. Madison, than whom no man was better acquainted with the Constitution, in the Virginia Convention, constantly uses the words "money bills" and "supply bills" when talking about this clause and the power given the House by it.

Mr. Hamilton uses the words "supplies requisite for the support of the Government."

The confusion of those who, in subsequent generations have raised this question—and it is to be remembered that nobody in the generation of the framers of the Constitution did raise it or did try to make the distinction—grows out of their not understanding that a "bill to raise revenue" means a bill to raise revenue for the supply of the executive branch of the Government. There are two sorts of bills for raising revenue for the Government, or, as the English called it, "for carrying on His Majesty's Government." One was by appropriating money already in the Treasury. In this case the money had been raised, but it had not been made Government revenue and could not be made "revenue" to be disbursed by the executive branch until the legislative branch had appropriated it. When there was no money in the Treasury, then the money had to be "raised" through a bill to appropriate money and a bill to levy taxes, but it did not become "revenue" for the purpose of disbursement by the executive branch solely with the passage of a bill to levy taxes, nor solely with the passage of a bill to issue bonds, but there was need yet to appropriate the money. The further act necessary to make it revenue for the disbursement of the executive branch was an appropriation, put money at the disposal of the executive branch except by not only a tax in the technical sense in which that

phrase was used in the Constitution. There is no such thing as having the legislative branch put money at the disposal of the executive branch except by not only raising the money but by appropriating the same, and raising money and appropriating the same, both taken together, constitute "raising revenue" for the Government.

Even "money in the Treasury" is not a Government "revenue" until rendered disburseable by an appropriation of the money out of the Treasury.

If there were a billion of dollars in the Treasury it would not be revenue for carrying on the Government—revenue of the Government, revenue in a governmental or constitutional sense—until it had been appropriated, and as the House alone can originate a bill "to raise revenue", it alone can originate a bill to transmute money in the Treasury into revenue.

Revenue—Government revenue—is money in the Treasury rendered available to the Executive for expenditure for "carrying on the Government" by an appropriation.

The Senator from Massachusetts [Mr. Lodge] says that "not a week passes that we do not originate appropriation bills in the Senate"; that we originate them on claims, on public buildings, and so forth. I had never contended, and do not now contend, that the power of the House to originate goes beyond origination of general "supply bills" for the carrying on of the Government, or, as it was called in England, carrying on His Majesty's or Her Majesty's Government—what were called in England and by Hamilton, Madison, and their contemporaries "money bills." As to special appropriations for many purposes, even the House of Commons in England never claimed exclusive power over them. The Senator adds: "There is, in my opinion, nothing in the Constitution that can be twisted into any such limitation"—that is, a limitation of the power to originate "supply bills" in the House. In this the Senator differs from Mr. Hamilton; he differs from Mr. Madison; he differs from the first Congress that ever met; and he differs, in my opinion, because he has not truly understood the meaning of the phrase "to raise revenue." To raise revenue for what? Why, evidently for disbursement by the Government. To be disbursed by whom? Why, evidently by the Executive. To be appropriated by whom? Evidently by the legislative. Not a dollar in the Treasury can become revenue for carrying on the Government except after two things have been done: First, having the money placed there; and as long as it is there without an appropriation by Congress it is not revenue; it is merely money, because the Constitution provides that no money shall be taken out of the Treasury except in pursuance of an act of Congress. Secondly, after being put at the disposal of the Executive for expenditure by appropriation out of the Treasury, then and then only has the money changed its character and become revenue—i. e., money for Executive disbursement by direction of law. As long as it is in the Treasury without appropriation it is inert, dead, and cannot be used; it is not governmental revenue; it is not at the behest of the Executive for disbursement. A "bill to raise revenue" is a bill to turn money into an active instrumentality for carrying on the Government.

In 1871 the House adopted a resolution taking exceptions to a Senate bill which repealed the income tax. The Senate asserted the right to originate bills repealing a tax. Roscoe Conkling, as a Senate conferee, contended for the right. The House conferees refused to assent to the position of the Senate, and pointed out that not only "the right to originate tax and tariff bills, but also appropriation bills" was "conceded to the House of Representatives without dispute until the year 1832, when the right of repealing duties was unsuccessfully asserted by the Senate, and again in 1833 the same thing was attempted, but without success."

You will note that the Senate never until then ever asserted any right over general appropriation bills. The resolution recommended by the House conferees was adopted by the House after debate.

Senator Hoar quotes Mr. Webster, who certainly was a very fine constitutional lawyer, as saying: "Whatever the Senate might think, the House is the sole constitutional judge of the extent, meaning, and scope of that constitutional provision", to wit: The constitutional provision to originate revenue bills. Senator Hoar adds: "Mr. Webster was clearly right."

A very clear discussion of this will be found on page 161 of Mr. McCall's *The Business of Congress*. Mr. McCall adds:

"In practice, the general appropriation bills are now in a sense treated as money bills, and their formation as well as the formation of those relating to taxation is given over to the House."

I admit that the House has sometimes been lax in this assertion of its right, but whenever the matter has been narrowed down to a crisis and discussed, the House has always maintained its right, and the Senate has always acquiesced in it. It is idle to say that this assertion and maintenance and this acquiescence would have taken place without constitutional authority.

Senator Hoar well said:

"By a practice as old as the Government itself the constitutional prerogative of the House has been held to apply to all the general appropriation bills."

Reference is directed here to an article entitled "Conduct of Business in Congress", published in the *North American Review*, CXXVII, page 113.

In this connection it is pertinent to inquire that, if I be not right about all this, why is it that the letter from the Secretary of the Treasury, transmitting estimates for appropriations for the fiscal year, is invariably sent to the House and not to the

Senate? Why is it not sent to the Senate in the first place, or why not at the same time? Why not addressed to Congress or both Houses? It is sent to the House immediately after the House convenes and is referred to the House Committee on Appropriations. This has been the uniform custom ever since the First Congress met.

Prof. Woodrow Wilson says that the Constitution is silent as to the origination of bills appropriating money. This statement is not correct. The statement begs the question. What are "bills for raising revenue" except bills to make money mobile as a governmental instrumentality—as revenue? Every supply bill is a money bill. Every money bill is a bill to raise revenue. The "revenue" is not "raised" until the appropriation of the money is directed. Raised for what? With us, "to carry on the Government"; in England, "to carry on His Majesty's Government." Who pays out the money to carry on the Government? Why, the Executive, of course. Who raises or provides or supplies the money for the Executive to pay out or to disburse? Why, the legislative branch, equally, of course. Who pays your salary or mine? Why, the Executive. And how? By an order upon the Treasury. And in consequence of what? In consequence of an appropriation bill, rendering inert, dead money active, live Government revenue. You and I are paid by a warrant on the Treasury. We cannot pay our own salaries directly to ourselves by ourselves. How is the Executive warranted to give the warrant? Why, by an act of Congress, of course. What is this act? Why, it is a bill to raise supplies—to raise revenue for carrying on the Government. The revenue is not raised for Executive capacity to pay out, and, therefore, not raised as governmental revenue as an instrumentality in the disbursement whereof the Government is carried on until appropriated by Congress and the purpose of the appropriation designated in an act of Congress. How is revenue raised? I answer, in two ways. What are they? If the money be already in the exchequer or the Treasury here, it is raised for a designated purpose by its appropriation; and if there be no money in the Treasury, then it is raised by levying a tax and at the same time or afterward appropriating the proceeds of it—by tax bills and appropriation bills.

Much of the confusion has grown out of forgetting that in the early history of the country, tax bills and appropriation bills, the conjoint purpose of the two being to raise Government revenue, were provided for in the same act. The Ways and Means Committee of the House levied a tax and at the same time appropriated the tax in one act, which constituted a budget. Later on, when the magnitude of our governmental machinery began to assert itself, the work was divided. Tax bills were left to the Committee on Ways and Means, and bills appropriating the proceeds of taxes were left to a new committee called the Committee on Appropriations. It was not until after this division of labor occurred that any confusion in public thought ever occurred.

Levying a tax and appropriating the money thus raised are two parts of the same act, the object of both of which is to "raise revenue" for carrying on the Government. If you appropriate when there is no money in the Treasury, the Government will not have any revenue. If you levy and collect a tax, but do not appropriate, the Government will still have no revenue. In one and the same bill, or else in two different bills, you must do the two things which are parts of the same act: First, put money in the Treasury; secondly, turn the money into Government revenue by appropriating it.

Henry Jones Ford in his book *The Cost of Our National Government* (p. 11) says, very properly: "It is a fundamental principle of constitutional government that appropriations are made and expenditures are controlled by the representatives of the people." He adds that "the process of budget making starts with the transmission of a letter from the Secretary of the Treasury to the Speaker of the House of Representatives, giving estimates of appropriations required for the public service"; and "congressional action on the estimates thus transferred begins in the House of Representatives." (See *ibid.*, p. 14.)

This is a significant recognition of the principle by the practice of the executive department. In fact, throughout our whole history the House has asserted, the Executive has practiced, and the Senate has acquiesced by practice in the general principle—a principle and practice founded on the real and historic meaning of the phrase "bills to raise revenue"—a meaning contemporaneous with the Constitution.

I quote from the same author (p. 23): "We began our National Government with a firm and precise principle of budget control, namely, that the House of Representatives held the purse strings. It was the expectation of the framers of the Constitution that the immediate representatives of the people would control the Budget and fix expenditures."

In no. 57 of the *Federalist* support was given to this position.

I call the reader's attention to CONGRESSIONAL RECORD, volume 16, part 2, page 949 et seq., being the RECORD of the Forty-eighth Congress, second session. Representative Hammond (p. 952), in his reply to what I have called attention to, confuses special appropriations, which are not supply bills, with general appropriations, which are and have always been so treated, both in England and here; and here, as Senator Hoar says, "even from the very origin of the Government."

Mr. Hammond likewise confuses the phrase "raising revenue" and the phrase "raising money." Before the Committee on Style changed the verbiage proposed in the Constitutional Convention it

read "bills to raise money and make appropriation of the same." The language "bills to raise revenue" was substituted and, as far as I can find out, without debate or opposition of any description, showing that the men who had voted for the former phraseology thought that the latter meant the same thing; that is, that a "bill to raise revenue" involved the ideas of "raising money" and appropriating the same.

Raising money, or putting money into the Treasury, is one thing. Making out of money Government revenue is another thing. The money is raised, or collected, or gotten when by operation of a tax bill it is covered into the Treasury, but it does not thereupon become revenue. The executive, which alone disburses revenue, cannot even touch it. If there were \$500,000,000 in the Treasury, no branch of the executive could touch it until the legislative branch had made it revenue by an appropriation bill. The process of raising revenue is not completed until by appropriation it has been made available for carrying on the Government.

In England the means of taxation and the appropriation of money raised by taxes were both carried in the same bill, and such a bill was always indifferently called "a supply bill", "a bill to raise revenue", "a money bill." The committee of the whole of the House of Commons when moved for that purpose was called the committee on ways and means, hence the name for our House standing Committee on Ways and Means, which in our early history had jurisdiction over both these parts of the same transaction, to wit, tax bills to put money into the Treasury and appropriation bills directing the use of the money raised by the taxing power; that is, making of the inert money in the Treasury Government revenue to be disbursed by the Executive—making it by law available for executive disbursement.

At first, as I have already said, even with us bills generally did both at the same time, but gradually we found need for two committees in the House acting separately, and out of this grew much of the confusion which has resulted in the failure to make the distinction between "raising money" and "raising revenue"—the distinction between money lying inert in the Treasury and money made active and mobile as a governmental revenue. Governmental revenue is money in the Treasury appropriated and placed at the disposal of the Executive for carrying on the Government, with more or less or sometime no specific and detailed direction for its expenditure. The point is that it is not Government revenue until the Executive can use it.

In Delaware, Maryland, Massachusetts, and New Hampshire at the time of the adoption of the Constitution all money bills had to originate in the lower house, and the senate, or upper house, could amend.

In the colonial constitution of Massachusetts the exact language of the Federal Constitution is used, to wit: That the senate "may propose or concur with amendments."

Blackstone defined "money bills" to be "all bills by which money is directed to be raised." Now, mark that language—"money is directed to be raised"—that is, directed to be made alive; directed to cease to be inert; directed to be lifted into the capacity of carrying on the Government.

The House of Lords in 1702, 1708, 1719, 1733, and 1736 disputed as the United States Senate seems to be beginning to dispute here, the power of the House of Commons to originate appropriation bills, and tried, as gentlemen are beginning to try here, to confuse the power of originating tax bills with the power to raise revenue. The Commons always contended that the tax bills and the appropriation bills were part and parcel of the same thing. That contention of the representatives of the people which was successfully carried to a consummation in Great Britain must be carried to the same successful consummation here, or else there is danger of the cessation of all popular control of legislation.

If you will read the proceedings of the Constitutional Convention at Philadelphia very carefully, you will find that the whole argument there was whether the Senate should or should not have the right to amend. There never was one moment spent in discussion as to whether the House should or should not have the right to originate. As distinguished a man as George Washington took a very broad position in favor of giving the Senate the right to amend, or, as the Constitution expresses it, to propose and concur in amendments.

In 1856 Mr. Seward, of New York, said: "We make a revenue bill but once in 10 or 12 years, and these appropriation bills are, in fact, what were intended, I suppose, by the framers of the Constitution as bills of revenue." (See CONGRESSIONAL RECORD, vol. 16, pt. 2, p. 954.) He added: "The practice for these 70 years had been that all appropriations of this character" (and by that he means general appropriation bills) "have originated in the House." He further adds: "The stubborn fact is that the Senate has never originated an appropriation bill" (meaning, of course, a general supply bill) "but has always conceded to the House their origination, and the House of Representatives has never conceded to the Senate the right to originate such bills, but has always insisted upon and has always exercised that right itself." Then further he adds significantly: "The spirit of the Constitution as ascertained from the British Constitution and the contemporaneous debates and from the practice for 70 years is stronger than the letter of the Constitution."

Our Constitution provides that no money shall be taken out of the Treasury except in pursuance of law appropriating it. From this it follows, even if the history of the particular language, "bills to raise revenue", did not demonstrate it, that money is not revenue wherewith to carry on the Government until its

expenditure is directed by law; that is, until it is appropriated. No Government "revenue" has been "raised" until after appropriation, because it cannot until then be used by the Executive, who alone can ever use it for carrying on the Government.

Mr. Hammond, who has made out the strongest case ever made against what I am contending for, again confuses the source of revenue with revenue. A tax bill is a source of revenue, but the proceeds of a tax bill are not revenue until rendered available for expenditure by an appropriation. The phrase "No money shall be drawn from the Treasury but in consequence of appropriations made by law" is absolutely of the same meaning as if it had been written, "No money in the Treasury shall be available to the Executive for disbursement as Government revenue but in consequence of appropriations made by law."

Hammond, by a slip of the tongue, which gives him away, uses the phrase "the revenue of the King"—a perfectly accurate expression. Money in the exchequer in England is not revenue at all until it becomes by appropriation "the revenue of the King"; so that the King's government can pay it out, with or without specific direction. Nor does money in our Treasury become revenue of the King, or revenue of the Executive, or revenue for carrying on the Government, or in any governmental sense revenue at all—until it has become in the same way, to wit: By appropriation, the revenue of the Executive. It is the Executive alone in either Government which can disburse money.

In New Jersey, South Carolina, and Virginia, at the time of the Constitution, all money bills must originate in the house of representatives of the State, and could not be even amended in the upper house.

For further study of this question, turn to First Congressional Annals (vol. 1, pp. 592, 593, and 597, and pp. 603, 605, and 617). Turn to the Twenty-second Congressional Debates (vol. XIV, pt. 1, pp. 1152 and 1155 and p. 522), and Forty-first Congressional Debates (3d sess., Appendix, p. 265), both of which are quoted in note 1 of Hinds' Precedents, volume 2, page 951.

In April 1872, Mr. Dawes, of Massachusetts, reported a resolution citing what occurred in the House on June 25, 1789, during the First Congress, and says: "Madison, Livermore, Gerry, Lawrence, and Tucker contended that the sole right of originating money bills belonged to the House—this was an appropriation bill—but that this clause coerced all appropriation bills, because an appropriation bill was an appropriation of the money raised by the revenue powers of the Government, and therefore was included; and since that time, as we all know, the appropriation bills of the Government and general supply bills have originated uniformly in the House of Representatives, with perhaps a single exception, which I will note later, and which failed to pass." (See Hinds' Precedents, vol. 2, p. 958, where the above is set forth.)

The J. Proctor Knott House resolution on February 2, 1871, had no reference to a general appropriation bill; it concerned a bill to "purchase lots adjoining the new building for Bureau of Printing and Engraving." It was in no sense a supply bill. I cite this because it has been frequently quoted on the other side. But even here the utmost that can be contended is that the House never acted upon the resolution. (See Hinds' Precedents, vol. 2, pp. 971 and 972, top; the views of the minority, *ibid.*, 972, 973.)

Mr. Garfield's language. (CONGRESSIONAL RECORD, vol. 16, pt. 2, p. 954.) Proceedings of the House quoted by Hammond right afterward prove that Garfield was right about what happened in the House, and the proceedings there do not admit of the explanation attempted to be made by Hammond. The distinction was made in what the House did between general appropriation bills, or supply bills, on the one hand, and special appropriation bills on the other.

If the reader will turn to Webster's Dictionary of 1840 and Worcester's Dictionary of 1846, both of them American, he will find that they bear out exactly the opposite contention to that in behalf of which Hammond quotes them, and that in both cases they confine the meaning of the word "revenue" to "income for public use" and "income for the payment of national expenses."

In no event can money in the Treasury become "income for public use"; that is, be available for the Executive for use or become available for "the payment of national expenses", except by force of appropriation. These phrases are right, and money not made available by appropriation "for public use" or "for the payment of national expenses" is not Government revenue. It is simply money lying inert in the Treasury. It belongs to the people, of course, but it cannot be constitutionally used by "the Government."

Mr. President, if the Senate can constitutionally originate general appropriation bills when money is in the Treasury, then it can do the same thing when there is no money in the Treasury; and thus this body, representing the States and not the people—representing chiefly the smaller States—could force either Federal insolvency—not to be thought of—or else could force the House to levy new or additional taxes; thus force the House to originate tax bills. The two things hang together. If this Senate could originate general supply bills, then it could commit the Government to a course of expenditures that would coerce the House not only into originating but into passing tax bills.

As Seward well says, speaking of the long practice under which the House always insisted upon and the Senate always conceded—the right of the House to originate general appropriation bills:

"This (practice) could not have been accidental; it was therefore designed. The design and purpose were those of the con-

temporaries of the Constitution itself. It evinces their understanding of the subject, which was that bills of a general nature for appropriating of the public money or for laying of taxes or burdens on the people, direct or indirect in their operation, belonged to the province of the House of Representatives." (See CONGRESSIONAL RECORD, vol. 16, pt. 2, p. 959.)

He added:

"If this power be confined to the one and not to the other—that is, to the levying of taxes to get money, but not to its expenditure—then the right is useless, because we change revenue laws so seldom."

This criticism of Seward's is correct, although it was made in view of what occurred later and not of what was in the minds of the framers of the Constitution. I believe it is not too much to say that, in the minds of the framers of the Constitution, a bill to raise revenue was a budget; that is, a bill levying taxes and at the same time appropriating the proceeds of the levy, because such was the contemporaneous practice.

Mr. Sumner, of Massachusetts, said that he regarded the Senate origination of general appropriation bills as "a departure from the spirit of the Constitution." (Ibid.)

Mr. Hinds, in his incomparable work, in a note at the bottom of page 973, volume 2, concerning the question of the right of the House to originate general appropriation or supply bills, says: "But while there has been a dispute as to the theory, there has been no deviation from the practice that the general appropriation bills originate in the House of Representatives." He expressly uses this phrase as contradistinguished from special bills appropriating for single, specific purposes.

It is well to remember in this connection the Hurd resolution of January 13, 1885, which was laid on the table in the House. The fact that it was laid upon the table has been quoted very frequently, but the resolution was directed at Senate bill 398 (the Blair educational bill). It was not a supply bill, but a bill of specific appropriation; not a bill for carrying on the Government any more than a bill making appropriation for a public building would be a bill for carrying on the Government.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York that the Senate proceed to the consideration of House bill 7493?

There being no objection, the Senate proceeded to consider the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDENT pro tempore. If there is no objection, the amendments reported by the committee will be agreed to en bloc.

Mr. McNARY. Mr. President, I am confused about the situation. The bill has been divided into two parts. As I understand, we have before us the bill making appropriations for the nonmilitary activities of the War Department.

Mr. COPELAND. That is correct. This bill was the second part, or title II, of the bill passed by the Senate a few days ago.

Mr. McNARY. Why are we not to proceed in the usual manner by having the committee amendments read?

The PRESIDENT pro tempore. If any Senator objects to the adoption of the amendments en bloc, the Senate will proceed in the usual manner.

Mr. McNARY. Have these items been heretofore passed on by the Senate?

Mr. COPELAND. All the amendments, except three, which will be read separately, have heretofore been passed on by the Senate. I ask that those which have heretofore been adopted by the Senate be agreed to en bloc.

The amendments of the Committee on Appropriations were, under the heading "Bureau of Insular Affairs—United States High Commissioner to the Philippine Islands", on page 4, line 18, after the word "expenses" and the comma, to strike out "\$140,500" and insert "\$152,600"; in line 19, after the word "exceeding", to strike out "\$7,800" and insert "\$18,000"; in line 24, after the words "rate of", to strike out "\$8,000" and insert "\$12,000"; in the same line, after the word "and", to strike out "\$7,500" and insert "\$10,000"; on page 5, line 23, after "sec. 661" and the semicolon, to strike out "for such works, hereby authorized, as may be necessary for the protection of the town of Collinsville, Ala."; on page 8, line 4, after the word "law" and the comma, to strike out "\$30,000,000" and insert "\$60,000,000"; on the same page, line 15,

after the word "expenses", to insert a colon and the following additional provisos: "Provided further, That the Chief of Engineers, when authorized by the Secretary of War, may enter into construction contracts prior to July 1, 1938, to an amount not in excess of \$38,000,000, in addition to the sum herein appropriated, and his action in so doing shall be deemed a contractual obligation of the Federal Government payable after the next regular annual appropriation becomes available: And provided further, That if any funds are made available for the above purposes from the Emergency Relief Appropriation Act of 1937, the appropriation herein made shall be reduced by an amount equal to the sum so made available, but this proviso shall not operate to reduce this appropriation below \$30,000,000"; on page 9, line 9, after the word "thereof" and the comma, to strike out "or other responsible local agencies"; on the same page, line 25, before the word "are", to strike out "or other responsible local agencies"; on page 10, line 12, after the figures "\$56,300" and the comma, to strike out "\$22,500,000" and insert "\$45,000,000: Provided, That the Chief of Engineers, when authorized by the Secretary of War, may enter into construction contracts prior to July 1, 1938, to an amount not in excess of \$10,000,000, in addition to the sum herein appropriated, and his action in so doing shall be deemed a contractual obligation of the Federal Government payable after the next regular annual appropriation becomes available: Provided further, That if any funds are made available for the above purposes from the Emergency Relief Appropriation Act of 1937, the appropriation herein made shall be reduced by an amount equal to the sum so made available, but this proviso shall not operate to reduce this appropriation below \$22,500,000"; on page 11, line 6, after "(49 Stat. 1508)" and the comma, to strike out "\$100,000" and insert "\$300,000"; and on page 12, line 12, under the heading "United States Soldiers' Home", after the word "date", to insert a colon and the following additional proviso: "Provided further, That not to exceed five retired officers of the Regular Army may be assigned to active duty at the United States Soldiers' Home, and such officers while so assigned shall be entitled, notwithstanding any other provisions of law, to the pay and allowances of officers of the same rank and length of service on the active list of the Army", so as to make the bill read:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, namely:

#### QUARTERMASTER CORPS CEMETERIAL EXPENSES

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, and other employees; purchase of land; purchase of tools and materials; purchase of one motor-propelled hearse at a cost not to exceed \$3,150; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery; repair to roadways but not to more than a single approach road to any national cemetery constructed under special act of Congress; headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (U. S. C., title 24, sec. 279), February 3, 1879 (U. S. C., title 24, sec. 280), March 9, 1906 (34 Stat., p. 56), March 14, 1914 (38 Stat., p. 768), and February 26, 1929 (U. S. C., title 24, sec. 280a), and civilians interred in post cemeteries; recovery of bodies and disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (U. S. C., title 10, sec. 916); for repairs and preservation of monuments, tablets, roads, fences, etc., made and constructed by the United States in Cuba and China to mark the places where American soldiers fell; care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate cemetery at North Alton, the Confederate cemetery, Camp Chase, at Columbus, the Confederate cemetery at Point Lookout, and the Confederate cemetery at Rock Island, \$1,227,009, of which \$295,477 shall be available immediately: Provided, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States: Provided further, That no part of this appropriation shall be used for repairing any roadway not owned by the United States within the corporate limits of any city, town, or village.

## SIGNAL CORPS

## ALASKA COMMUNICATION SYSTEM

For operation, maintenance, and improvement of the Alaska Communication System and for purchase, including exchange, of one motor-propelled passenger-carrying vehicle, and for operation and maintenance of vehicles of this character, \$166,338, to be derived from the receipts of the Alaska Communication System which have been covered into the Treasury of the United States, and to remain available until the close of the fiscal year 1939: *Provided*, That the Secretary of War shall report to Congress the extent and cost of any extensions and betterments which may be effected under this appropriation.

## BUREAU OF INSULAR AFFAIRS

## UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

For the maintenance of the office of the United States High Commissioner to the Philippine Islands as authorized by subsection 4 of section 7 of the act approved March 24, 1934 (48 Stat. 456), including salaries and wages; rental, furnishings, equipment, maintenance, renovation, and repair of office quarters and living quarters for the High Commissioner; supplies and equipment; purchase and exchange of law books and books of reference, periodicals, and newspapers; traveling expenses, including for persons appointed hereunder within the United States and their families, actual expenses of travel and transportation of household effects from their homes in the United States to the Philippine Islands, utilizing Government vessels whenever practicable; operation, maintenance, and repair of motor vehicles, and all other necessary expenses, \$152,600, of which amount not exceeding \$10,000 shall be available for expenditure in the discretion of the High Commissioner for maintenance of his household and such other purposes as he may deem proper: *Provided*, That the salary of the legal adviser and the financial expert shall not exceed the annual rate of \$12,000 and \$10,000 each, respectively: *Provided further*, That section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed the sum of \$100.

## CORPS OF ENGINEERS

## RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Debris Commission in carrying on the work authorized by the act approved March 1, 1893 (U. S. C., title 33, sec. 661); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for payment annually of tuition fees of not to exceed 35 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (U. S. C., title 10, sec. 535); for examinations, surveys, and contingencies of rivers and harbors; and for printing, including illustrations, as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase of motor-propelled passenger-carrying vehicles and motorboats, for official use, not to exceed \$197,971: *Provided*, That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, \$128,000,000: *Provided further*, That from this appropriation the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board for Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: *Provided further*, That no appropriation under the Corps of Engineers for the fiscal year 1938 shall be available for any expenses incident to operating any power-driven boat or vessel on other than Government business: *Provided further*, That not to exceed \$3,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congresses of Navigation and for the payment of the actual expenses of the properly accredited delegates of the United States to the meeting of the congresses and of the Commission.

## FLOOD CONTROL

Flood control: For the construction of certain public works on rivers and harbors for flood control, and for other purposes, in

accordance with the provisions of the Flood Control Act, approved June 22, 1936 (49 Stat. 1570-1595), including printing and binding and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this act, the purchase (not to exceed \$47,250) of motor-propelled passenger-carrying vehicles and motorboats for official use, and not to exceed \$500,000 for preliminary examinations and surveys of flood-control projects authorized by law, \$60,000,000: *Provided*, That \$500,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture for preliminary examinations and surveys for run-off and water-flow retardation and soil-erosion prevention on the watersheds of flood-control projects authorized by law, including the employment of persons in the District of Columbia and elsewhere, purchase of books and periodicals, printing and binding, rent in the District of Columbia, the purchase (not to exceed \$30,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses: *Provided further*, That the Chief of Engineers, when authorized by the Secretary of War, may enter into construction contracts prior to July 1, 1938, to an amount not in excess of \$38,000,000, in addition to the sum herein appropriated, and his action in so doing shall be deemed a contractual obligation of the Federal Government, payable after the next regular annual appropriation becomes available: *And provided further*, That if any funds are made available for the above purposes from the Emergency Relief Appropriation Act of 1937 the appropriation herein made shall be reduced by an amount equal to the sum so made available, but this proviso shall not operate to reduce this appropriation below \$30,000,000.

The act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, is hereby amended by adding to the first paragraph of section 5, a proviso reading as follows: "*Provided further*, That the Secretary of War is authorized to receive from States, political subdivisions thereof, such funds as may be contributed by them to be expended in connection with funds appropriated by the United States for any authorized flood control work whenever such work and expenditure may be considered by the Secretary of War, on recommendation of the Chief of Engineers, as advantageous in the public interest, and the plans for any reservoir project may, in the discretion of the Secretary of War, on recommendation of the Chief of Engineers, be modified to provide additional storage capacity for domestic water supply or other conservation storage, on condition that the cost of such increased storage capacity is contributed by local agencies and that the local agencies agree to utilize such additional storage capacity in a manner consistent with Federal uses and purposes: *And provided further*, That when contributions made by States, political subdivisions thereof, are in excess of the actual cost of the work contemplated and properly chargeable to such contributions, such excess contributions may, with the approval of the Secretary of War, be returned to the proper representatives of the contributing interests."

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act, approved May 15, 1928 (U. S. C., title 33, sec. 702a), as amended by the Flood Control Act approved June 15, 1936 (49 Stat. 1508), and for the purchase of motor-propelled passenger-carrying vehicles and motorboats, for official use, not to exceed \$56,800, \$45,000,000: *Provided*, That the Chief of Engineers, when authorized by the Secretary of War, may enter into construction contracts prior to July 1, 1938, to an amount not in excess of \$10,000,000, in addition to the sum herein appropriated, and his action in so doing shall be deemed a contractual obligation of the Federal Government payable after the next regular annual appropriation becomes available: *Provided further*, That if any funds are made available for the above purposes from the Emergency Relief Appropriation Act of 1937, the appropriation herein made shall be reduced by an amount equal to the sum so made available, but this proviso shall not operate to reduce this appropriation below \$22,500,000.

Emergency fund for flood control on tributaries of Mississippi River: For rescue work and for repair or maintenance of any flood-control work on any tributaries of the Mississippi River threatened or destroyed by flood, in accordance with section 9 of the Flood Control Act, approved June 15, 1936 (49 Stat. 1508), \$300,000.

Flood control, Sacramento River, Calif.: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act approved March 1, 1917 (U. S. C., title 33, sec. 703), as modified by the Flood Control Act approved May 15, 1928 (U. S. C., title 33, sec. 704), including not to exceed \$2,600 for the purchase of motor-propelled passenger-carrying vehicles and motorboats, for official use, \$814,500.

Flood control, Lowell Creek, Alaska: For maintenance of flood-control works in accordance with the act approved February 14, 1933 (47 Stat., p. 802), \$1,000.

Flood control, Salmon River, Alaska: For maintenance repairs to dikes in the flood-control works at the town of Hyder, Alaska, as authorized by the act approved June 18, 1934 (48 Stat., p. 991), \$800.

## UNITED STATES SOLDIERS' HOME

For maintenance and operation of the United States Soldiers' Home, including maintenance, repair, and operation of horse-drawn and motor-propelled freight- and passenger-carrying vehicles and the purchase of one motor-propelled vehicle of the station-wagon type at a cost not to exceed \$1,000, including the value of a vehicle exchanged, to be paid from the Soldiers' Home permanent fund, \$804,456: *Provided*, That notwithstanding any other provisions of law, the administration, control, procurement, expenditure, ac-

counting, audit, and methods thereof, of funds appropriated from the Soldiers' Home permanent fund (trust fund) shall be according to the laws governing and in effect prior to July 1, 1935, relating specifically to the United States Soldiers' Home, and in accordance with procedure followed prior to such date: *Provided further*, That not to exceed five retired officers of the Regular Army may be assigned to active duty at the United States Soldiers' Home, and such officers while so assigned shall be entitled, notwithstanding any other provisions of law, to the pay and allowances of officers of the same rank and length of service on the active list of the Army.

#### THE PANAMA CANAL

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, including the following: Compensation of all officials and employees; foreign and domestic newspapers and periodicals; law books not exceeding \$1,000; textbooks and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal Act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal; acquisition of land and land under water, as authorized in the Panama Canal Act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sale; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; traveling expenses, when prescribed by the Governor of the Panama Canal, to persons engaged in field work or traveling on official business; transportation, including insurance, of public funds and securities between the United States and the Canal Zone; and for such other expenses not in the United States as the Governor of the Panama Canal may deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows:

For maintenance and operation of the Panama Canal: Salary of the Governor, \$10,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the Injury Compensation Act approved September 7, 1916 (U. S. C., title 5, sec. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; in all, \$8,519,000, together with all moneys arising from the conduct of business operations authorized by the Panama Canal Act.

For sanitation, quarantine, hospitals, and medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable, and the purchase of artificial limbs or other appliances for persons who were injured in the service of the Isthmian Canal Commission or the Panama Canal prior to September 7, 1916, and including additional compensation to any officer of the United States Public Health Service detailed with the Panama Canal as chief quarantine officer, \$918,000.

For civil government of the Panama Canal and Canal Zone, including gratuities and necessary clothing for indigent discharged prisoners, \$1,131,760.

Total, Panama Canal, \$10,568,760, to be available until expended.

In addition to the foregoing sums there is appropriated for the fiscal year 1938 for expenditures and reinvestment under the several heads of appropriation aforesaid, without being covered into the Treasury of the United States, all moneys received by the Panama Canal from services rendered or materials and supplies furnished to the United States, the Panama Railroad Co., the Canal Zone government, or to their employees, respectively, or to the Panama Government, from hotel and hospital supplies and services; from rentals, wharfage, and like service; from labor, materials, and supplies and other services furnished to vessels other than those passing through the Canal, and to others unable to obtain the same elsewhere; from the sale of scrap and other byproducts of manufacturing and shop operations; from the sale of obsolete and unserviceable materials, supplies, and equipment purchased or acquired for the operation, maintenance, protection, sanitation, and government of the Canal and Canal Zone; and any net profits accruing from such business to the Panama Canal shall annually be covered into the Treasury of the United States.

In addition there is appropriated for the operation, maintenance, and extension of waterworks, sewers, and pavements in the cities of Panama and Colon, during the fiscal year 1938, the necessary portions of such sums as shall be paid as water rentals or directly by the Government of Panama for such expenses.

Memorial to Maj. Gen. George W. Goethals: For necessary expenses incident to the selection of the site, and preparation of plans and estimates of cost, for the erection of a memorial to

Maj. Gen. George W. Goethals within the Canal Zone, authorized by the act approved August 24, 1935 (49 Stat. 743), including travel expenses of the members of the Goethals Memorial Commission appointed by the President under authority of said act, and of the employees of said Commission; employment of an architect or architects without regard to the provisions of other laws applicable to the employment or compensation of officers and employees of the United States; stationery and supplies; and all other necessary expenses, \$5,000, to be available immediately and also for payment of expenses heretofore incurred in carrying out the purposes of such act of August 24, 1935.

Sec. 2. Three million dollars of the appropriation "Capital stock, Inland Waterways Corporation" are hereby repealed.

Sec. 3. This act may be cited as the "War Department Civil Appropriation Act, 1938."

The PRESIDENT pro tempore. The Senator from New York now asks unanimous consent that the committee amendments, with the exception of three, be agreed to en bloc. Is there objection? The Chair hears none, and the amendments are agreed to en bloc.

Mr. COPELAND. Now I ask that the three minor amendments of the committee be stated.

The PRESIDENT pro tempore. The clerk will state the first amendment.

The LEGISLATIVE CLERK. It is proposed, on page 10, line 9, after the parenthesis and the comma, insert:

Including additional flood-control works for the protection of cities and towns on the lower Mississippi River, as recommended to the Congress by the Chief of Engineers and approved by previous acts of Congress.

Mr. OVERTON. Mr. President, I did not hear the amendment clearly. Does it refer to projects authorized by the Chief of Engineers or authorized by the Flood Control Act?

Mr. ROBINSON. Let the amendment be restated.

The PRESIDENT pro tempore. The clerk will again state the amendment.

The LEGISLATIVE CLERK. On page 10, line 9, after the parenthesis and the comma, it is proposed to insert:

Including additional flood-control works for the protection of cities and towns on the lower Mississippi River, as recommended to the Congress by the Chief of Engineers and approved by previous acts of Congress.

Mr. OVERTON. That is equivalent to an authorization. Should it not read "as authorized by previous acts"?

Mr. COPELAND. Yes; "as authorized."

Mr. OVERTON. The language is "and approved by previous acts."

Mr. COPELAND. "And authorized by previous acts." I think that would be better. I ask that the change be made.

The PRESIDENT pro tempore. The Senator from New York modifies his amendment, and as modified the clerk will state the amendment.

The LEGISLATIVE CLERK. On page 10, line 9, after the comma and the parenthesis, it is proposed to insert:

Including additional flood-control works for the protection of cities and towns on the lower Mississippi River, as recommended to the Congress by the Chief of Engineers and authorized by previous acts of Congress.

Mr. OVERTON. Mr. President, I do not observe the Senator from Tennessee [Mr. McKellar] in the Chamber. I wished to ask him whether or not this would involve the expenditure of considerably more money than is presently contemplated by this measure.

Mr. GLASS. Mr. President, the Senator will recall that that question was asked the Senator from Tennessee in the committee, and he stated it would not.

Mr. OVERTON. That is what I understood him to say.

Mr. COPELAND. That is the way I understand the matter; that it does not authorize the expenditure of more money, and that the project must take its fate along with other projects on the river.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The LEGISLATIVE CLERK. Page 11, line 24, after the word "Home" and the comma, it is proposed by the committee to strike out "including maintenance, repair, and operation of

horse-drawn and motor-propelled freight- and passenger-carrying vehicles and the purchase of one motor-propelled vehicle of the station-wagon type at a cost not to exceed \$1,000, including the value of a vehicle exchanged."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. McNARY. Mr. President, my attention may have been distracted when the Senator was speaking. How much money does this bill carry conformably to the authorization of the flood-control act of last year?

Mr. COPELAND. The Senate provision carries the \$60,000,000 provided in the so-called Copeland Act and the \$45,000,000 provided in the Overton Act.

Mr. McNARY. I appreciate that the appropriation necessary to carry into effect the Overton Act is in the bill which we are now considering.

Mr. COPELAND. Yes.

Mr. McNARY. The Senate will recall that last year we passed a bill, which we called the Copeland flood-control bill, authorizing the expenditure of \$315,000,000. At that time there was a general feeling and understanding that the sum of \$50,000,000 would be carried annually in the appropriation bill.

Mr. COPELAND. And that sum was actually placed in the bill as an authorization for last year.

Mr. McNARY. What is the amount of money that will be carried this year as the commitment of the Treasury to carry out the provisions of the bill?

Mr. COPELAND. If the bill is enacted according to the amendments of the Senate, it will provide the \$60,000,000 carried in the so-called Copeland bill, and \$38,000,000 of contractual obligations, making an ultimate total of \$98,000,000. It will include, for the Overton Act, twenty-two and a half million dollars, plus another twenty-two and a half million dollars, making the \$45,000,000 it carried and \$10,000,000 for contractual obligations.

Mr. McNARY. Are those items carried in the bill now before the Senate?

Mr. COPELAND. Those items are found in the bill as reported. I may say to the Senator that if this appropriation shall prevail, at the end of the next fiscal year we shall be where we would have been had we had the appropriation last year and gone forward at the same rate this year.

Mr. McNARY. Then, in a word, none of these appropriations have passed the House?

Mr. COPELAND. Yes; the House has made appropriation for just half the amount, as I have stated. They will propose a substitute for our amendment which will contemplate, if they can get money from relief funds, the same amount of money this year that we have provided in our amendment.

Mr. McNARY. Then when this bill goes to conference, and the conference report is adopted by the House and Senate, we shall know the exact amount available to carry out the provisions of the Copeland bill?

Mr. COPELAND. That is correct.

The PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment of the Committee on Appropriations was, on page 17, after line 6, to insert:

Sec. 3. The appropriations and authority with respect to appropriations contained herein shall be available from and including July 1, 1937, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1937, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The LEGISLATIVE CLERK. On page 17, line 17, it is proposed to change the section number from "3" to "4."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

If there be no further amendment, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. COPELAND. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. COPELAND, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. OVERTON, Mr. RUSSELL, Mr. MCADOO, Mr. SHEPARD, Mr. TOWNSEND, Mr. BRIDGES, Mr. McNARY, and Mr. AUSTIN conferees on the part of the Senate.

#### ADDITION OF LANDS TO YOSEMITE NATIONAL PARK—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to same.

ALVA B. ADAMS,  
KEY PITTMAN,  
HENRY F. ASHURST,  
GERALD P. NYE,

*Managers on the part of the Senate.*

RENÉ L. DEROUEN,  
J. W. ROBINSON,  
FRED L. CRAWFORD,

*Managers on the part of the House.*

Mr. ADAMS. This report is an agreement on the House bill with reference to the purchasing of certain lands in connection with the Yosemite National Park in California. The House receded from its disagreement to the Senate amendment; so the bill stands as passed by the Senate with an amendment.

I move that the Senate agree to the conference report.

The motion was agreed to.

#### MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 6692. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes;

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States, and for other purposes.

Mr. BANKHEAD. Mr. President, the Senate Committee on Agriculture and Forestry reported a substitute for the original bill in the form of an amendment. In order to expedite parliamentary action on the part of the Senate,

I ask unanimous consent that the Senate amendment to the original bill be agreed to, and that it then be considered as if it were the original bill, so that all amendments thereafter may be made without prejudice.

Mr. McNARY. Mr. President, that is a rather unusual request. Does the Senator from Alabama desire to substitute a committee amendment for the Senate bill?

Mr. BANKHEAD. Mr. President, the amendment reported by the Senate Committee on Agriculture and Forestry is a revision of the entire bill. It would be most difficult to deal with the sections of the original bill separately; so I am asking for the adoption of the committee amendment to the bill, and to let that stand as if it were the original bill, so that amendments may be offered without any restriction on account of the substitution.

Mr. ROBINSON. Mr. President, the same end can be reached by amending the amendment in the nature of a substitute. It is subject to amendment.

Mr. BANKHEAD. Yes, Mr. President; that is what I am asking to have done also. That is included in my request.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BARKLEY. I understand it is the purpose of the Senator, after perfecting the language in the committee amendment, to offer that as a substitute for the language of the House bill. The Senator wants to perfect the committee amendment before he offers it as a substitute. Is that correct?

Mr. BANKHEAD. That is correct.

The PRESIDING OFFICER. The Chair is in some doubt as to the parliamentary situation.

Mr. McNARY. Mr. President, I share in the doubt of the Chair. Has the bill passed the House, and are we acting on a House bill?

Mr. BANKHEAD. No, Mr. President; this is a Senate bill.

Mr. McNARY. It was favorably reported from the Senate Committee on Agriculture and Forestry?

Mr. BANKHEAD. Yes, Mr. President. It is an amendment in the form of a substitute. It is a revision of the entire bill.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BANKHEAD. I yield.

Mr. BORAH. What has happened is that the Senate Committee on Agriculture and Forestry has struck out the original bill.

Mr. BANKHEAD. That is correct.

Mr. BORAH. And has supplied the Senate with another measure.

Mr. BANKHEAD. Yes.

Mr. McNARY. Mr. President, I understand that the Senator from Alabama wishes to have the Senate strike out all after the enacting clause and substitute the Committee amendment.

Mr. BANKHEAD. Yes, Mr. President; without prejudice.

Mr. BARKLEY. It is the desire of the Senator from Alabama that the language then adopted by the Senate shall be regarded as the language of the original bill, so that amendments offered to it will not be in the second degree.

Mr. BANKHEAD. That is correct.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous consent that the committee amendment be substituted for the language of Senate bill 106, and that the substitute then be considered subject to amendment as though it were the original text.

Mr. BANKHEAD. That is correct.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. ROBINSON. Mr. President, in order to keep the record straight, let me say that the language of the amendment reported by the Senate Committee on Agriculture and

Forestry is subject to amendment, and the original text of the bill is subject to amendment.

Mr. BANKHEAD. Mr. President, I cannot hear the Senator.

Mr. ROBINSON. I am saying that from a parliamentary standpoint the Senate has a right to amend the so-called substitute, to perfect it, anyway.

Mr. BANKHEAD. I do not know whether that is so or not, but I do not want to leave any doubt about it.

The PRESIDENT pro tempore. The parliamentary situation is that Senate bill 106 has been reported back to the Senate with a committee amendment in the nature of a substitute, and the committee amendment is now open to amendment.

Mr. BANKHEAD. Mr. President, before I make a statement about the bill, I wish to present at this time a few clarifying amendments in the nature of corrections.

The PRESIDENT pro tempore. The clerk will state the first amendment.

The LEGISLATIVE CLERK. It is proposed to amend section 8 (b), on page 23, line 16, by inserting after the letter (b) the following words: "Except as provided in section 16."

Mr. McNARY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Oregon?

Mr. BANKHEAD. I yield.

Mr. McNARY. Is it the purpose of the Senator to start to offer amendments without discussing the bill?

Mr. BANKHEAD. The amendments I am now offering are merely minor clerical corrections. For instance, here is one correction of a number improperly placed in the bill. I am perfectly willing, if the Senator prefers, to defer offering the amendments until I have made an explanation of the bill.

Mr. McNARY. I think we should proceed in an orderly fashion. The Senator is in charge of an important bill, which ought to be discussed, and he should, as he is quite able to do, tell us the difference between the bill that is before the Senate today and the one passed by the Senate in 1935. Then, when the proper time comes, after we have considered the committee amendment, he might offer his clarifying amendments.

Mr. BANKHEAD. Very well, I am perfectly willing to follow the suggestion of the Senator. The amendments I was offering, however, were merely designed to clarify and correct typographical mistakes. I am perfectly willing to wait, however, and present them in their order.

Mr. President, it is well known that a bill similar to the one now pending was brought before the Senate 2 years ago, and occupied the attention of the Senate for nearly 10 days; in fact, at that time the bill was given about as much consideration and careful thought as almost any bill has been given since I have been a Member of this body. After the bill had been under consideration for some 5 or 6 days it was recommitted to the Senate Committee of Agriculture and Forestry; it was again reported by the committee, and taken up and considered for some days, and, finally, was passed by the Senate and sent to the House. There it remained in the Committee on Agriculture throughout the remainder of the last Congress. The House committee made no report on it, and the House had no opportunity to vote on it.

The bill as it was presented to the Senate 2 years ago carried, in addition to an appropriation of \$50,000,000 for immediate use, an authorized bond issue of \$1,000,000,000 as a financial program and guaranty of long-range permanent farm-tenancy adjustment.

Owing to the very large amount of money involved—although, of course, this is not an ordinary expenditure but merely an advancement of the credit of the Government—that phase of the bill, on account of the large indebtedness being accumulated against the Government, was the cause of more discussion and more hesitation than any other feature of the bill. Many Senators were reluctant—and I could appreciate, of course, their reluctance, though

I did not share in it—to commit the Government in the beginning of a new program in the large amount of \$1,000,000,000. Finally, however, after full consideration, as I have heretofore stated, the Senate, by a vote of 45 to 32, passed that bill and sent it to the House.

The bill as now presented to the Senate is substantially the same as the bill the Senate passed in 1935, with the omission of the bond-issue provision, which caused at that time so much resistance in this body. Now, instead of having \$1,000,000,000 obligated to carry out this program, the obligations have been reduced to \$10,000,000 for the first year, \$25,000,000 for the second year, and \$50,000,000 a year thereafter, these being in each instance mere authorizations; so that in the progress of the program, if it shall not be administered according to the viewpoint of Congress, if it fails to bring the results which we hope for, and Congress wants to terminate the program, it will have the opportunity to do so each year as fresh money shall be requested for the administration of the act in the field.

The pending bill when originally presented, both in the House and in the Senate, carried a \$50,000,000 authorization for each year. It will probably be recalled that when the President's economy message was sent to the Congress at once a cloud was raised as to the progress of this bill, and what was done with it. For some weeks the authors of the bill in the Senate and the House did not know what to do about proceeding with it, as they did not care to bring on a contest with the administration about the program to which the administration really was committed. We waited, and finally I had an agreement with the President. I am mentioning this because I think Senators are entitled to know the reason for the great reduction in the amount authorized by the pending bill. In that agreement with the President I represented, of course, myself alone, because I had no authority to represent anyone else; but, as the author and sponsor of this bill, and because of my very great anxiety to have some start made upon this great and important program, I agreed that I would ask the Congress to reduce the authorization to \$10,000,000 for the first year, \$25,000,000 for the second year, and thereafter \$50,000,000 a year. We reached that agreement, and it was announced to the public.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. POPE. With reference to the appropriation, the amounts are the same in the House bill, which passed a day or two ago as in this bill except in the House bill the \$50,000,000 authorization is limited to the year 1940?

Mr. BANKHEAD. Yes; that is correct.

Mr. POPE. And the Senator's bill provides that such an appropriation shall be authorized each year thereafter?

Mr. BANKHEAD. Until the Congress shall stop it. That was the agreement I reached with the President, and was one of the important reasons for abandoning the larger appropriation proposed in the earlier stages of the bill. The bill, as written on that subject, represents the understanding that we reached, so far, of course, as we had the right to reach an understanding.

Mr. ROBINSON. Mr. President, would it interrupt the Senator if I should ask him a question?

Mr. BANKHEAD. Not at all.

Mr. ROBINSON. Is the Senator prepared to state the differences between the draft of the bill he is now advocating, as reported by the Senate committee, and the House bill?

Mr. BANKHEAD. Yes; in a general way.

To begin with, I have just stated—and I should like to clear the matter up a little further—that with the elimination of the bond issue provision, and the \$50,000,000 appropriation, the substantial provisions of the bill as reported are the same as those contained in the bill finally passed by the Senate 2 years ago. There have been some additions with relation to matters that do not, in fact, go to the real principles involved in the bill. We took the old bill and rewrote it, following it, as far as possible, with some changes, which will be found largely in the administrative features,

made necessary by developments since the passage of that bill.

I will now recur to the question of the Senator from Arkansas. It is my purpose to make a very short talk, because I know Members of the Senate at this time are anxious to get away, and I know that nearly all of them are fully informed as to the philosophy of this bill and the essential facts which have made it necessary for the American Congress to take notice of the situation and endeavor in some way to stop the trend toward farm tenancy and to turn the trend in the direction of farm ownership. So I wish to be as brief as possible. I will be glad, of course, to answer any question that any Senator may desire to ask me, because I am not making a prepared speech, but am discussing this bill from the facts and on its philosophy, as I understand it. As occasion may arise during the course of this talk, it will not disturb me at all to have any Senator ask any question he may desire to ask.

Mr. BORAH. Mr. President—

Mr. BANKHEAD. I yield.

Mr. BORAH. How many farm tenants are there in the United States at the present time?

Mr. BANKHEAD. I will give the Senator the exact figures. By the census of 1930 the total number of farms was 6,288,648; the number operated by tenants was 2,664,365, making a percentage of 42.4 percent of all farms that were operated by tenants.

Mr. BORAH. At what rate is farm tenancy increasing in this country?

Mr. BANKHEAD. I will say to the Senator that, very happily, on the whole, between 1930 and the agricultural census of 1935, there has been a small decrease of about two-tenths percent.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. POPE. Do not the figures indicate an increase of about 40,000 a year?

Mr. BANKHEAD. The Senator means in number?

Mr. POPE. Yes; in number.

Mr. BANKHEAD. I have not the figures with respect to the increase in the number of tenants; but let me read, in answer to the Senator from Idaho, a statement issued by the Bureau of the Census, based upon the census of agriculture of 1935:

The Census Bureau points out that while tenants operated 42.1 percent of all farms in the United States on January 1, 1935—

And it will be noted that in 1930 the percentage was 42.4, or three-tenths of a percent higher in 1930 than it was in 1935.

The Census Bureau points out that while tenants operated 42.1 percent of all farms in the United States on January 1, 1935, as compared with 42.4 percent on April 1, 1930, declines in proportion of tenants among the States were recorded only in North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas, and New Mexico.

Except in those States named there was an increase in the percentage of tenancy.

In other words, gains in tenancy were recorded in all States outside of the South, with one exception—New Mexico—and also in several of the more northerly States of the South. Considering the 32 States located outside of the South as a group, the proportion of farms operated by tenants raised from 28.5 in 1930 to 30.5 in 1935.

Mr. BORAH. Mr. President, from whom is the Senator reading?

Mr. BANKHEAD. I am reading from a statement issued by the Bureau of the Census, an official document.

Recurring to the question of the Senator from Arkansas [Mr. ROBINSON] as to the essential differences between the Senate bill and the House bill, as I understand the principles involved, the chief outstanding difference is the manner or method of handling in their early stages the transactions with the tenant farmers. The House bill provides for a loan of money to a tenant applicant who selects his own farm. After approval of the applicant by a local committee of three farmers, the process continues. That method of approval is provided for in both bills. The applicant must

have approval on the ground, at home, by citizens there who know land values in the community and know the people.

After this examination and approval by a local committee of the applicant, the House bill provides in substance that the Government is to lend the applicant the money to meet the appraised value of the prospective farm. Transfer of title is then to be made to the applicant in a direct way, and the applicant is to execute to the Government a mortgage to secure the money advanced. In short, as contemplated by the House bill, it is a transaction very similar to that carried on by the Federal land bank, except that the lending of the entire purchase money is permitted rather than only 70 percent as is required under the law relating to the Federal land banks.

The Senate bill makes a somewhat different provision in that respect. It authorizes the proposed Farmers' Home Corporation to buy the land, following the approval of a local committee, just as provided in the House bill, and requiring the recommendation of the local committee both as to value of land and applicant. The Senate bill provides further for the appraisal of property, in addition to local appraisal, by expert land appraisers, and their reports are to be filed on each tract and made available to the Congress.

The Senate bill then proposes to permit the corporation, in its judgment, either to permit the transfer of title, taking a mortgage as provided in the House bill, or to hold title for 5 years and execute to the prospective purchaser a contract, a lease, so to speak, for a period up to 5 years, so that the applicant may have the guidance, the supervision, and the assistance of the Government agencies, such as the county agents and others who are prepared to give him helpful advice.

As we know, many tenants do not need any probationary period. There are many tenants in my section of the country who have been operating farms for absentee landlords for a long period of years. Each year the tenant farmer uses his own judgment because each year the landlord is away from the farm. Sometimes in the East the landlord is an insurance company or a loan company or other credit agencies of similar type. It is known, without any theory about it, that many tenants are prepared by experience and are qualified, from the standpoint of character and farming judgment, to step onto a farm of their own and manage it as they have successfully managed farms for their absentee landlords.

Mr. LEWIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Illinois?

Mr. BANKHEAD. I yield.

Mr. LEWIS. Would it divert the able Senator too far if I should ask him to give me information as to the method suggested of returning to the Government the money proposed to be advanced?

Mr. BANKHEAD. I shall be happy to give the Senator that information. I have about completed my statement relative to the differences between the two bills.

The House bill carries an authorization for an appropriation for the purchase of submarginal land, and some provisions as to use of rehabilitation funds under the supervision of the corporation. The Senate bill does not deal with anything except the subject of farm tenancy.

I think these in substance are the principal differences. There are some smaller matters about which I apprehend the two Houses will not have much difficulty in getting together, though there may be some difficulty with reference to the points which I have attempted to explain to the Senate.

With reference to the question of the Senator from Illinois [Mr. LEWIS] as to the return of the money to be advanced by the Government—

Mr. NYE. Mr. President, before the Senator moves on to that point, may I interrupt him?

Mr. BANKHEAD. Certainly.

Mr. NYE. May I ask if the absence from the Senate draft of the bill of a provision for the purchase of submarginal land means that the Senate Committee on Agriculture and Forestry is not in favor of continuing that program?

Mr. BANKHEAD. We did not consider that question at all. We considered the subject of farm tenancy as covered by the bill introduced in January and referred to our subcommittee. Unhappily I was absent from the Senate for 2 months. During that time, out of consideration for me, the subcommittee took no action. When I returned we went ahead and worked out a program. We have expressed no judgment upon the question of the purchase of submarginal land.

Personally, when the matter was suggested to me, my thought was and my reply was, though I am not firm about it, that it would be inconsistent and liable to cause a confusion of ideas if it were proposed in one bill to buy worthless land and also to sell to tenant farmers good agricultural land. I was afraid the impression might go out that it was desired to place the tenant farmers upon acquired submarginal land. That is the only objection I ever had to the bill covering that matter, but it was never formally considered or rejected by anybody on the Senate side.

Mr. McNARY. Mr. President, will the Senator yield on that point?

Mr. BANKHEAD. Certainly.

Mr. McNARY. I am not wholly conversant with the provisions of the bill, as I did not have an opportunity to attend the hearings. Were hearings held on the bill now before us?

Mr. BANKHEAD. No hearings were held at this session. Full hearings were held 2 years ago, and the committee have reported practically the same bill that was considered at that time. We did not regard it necessary to go over the same ground again.

Mr. McNARY. I am speaking of the bill now before the Senate.

Mr. BANKHEAD. This is the same bill, in its essential provisions, as that reported 2 years ago.

Mr. McNARY. I am not criticizing the Senator. I am simply asking a question and seeking information. In answer to the question of the Senator from North Dakota [Mr. NYE] regarding the purchase of submarginal land, I find no restrictive language in the bill, but the bill provides carte-blanche authority for the board to acquire lands of any kind wherever it desires. The board could purchase submarginal lands, could it not?

Mr. BANKHEAD. That is possible; but I say to the Senator frankly we do not contemplate it. Certainly, I know the administration does not contemplate it without an appropriation for the purpose.

Mr. McNARY. Again I say to the Senator I am not criticizing him, but am merely trying to obtain a correct interpretation of the language. On page 25 of the bill, section 10, paragraph (a), having reference to the powers conferred upon the corporation, it is provided that the corporation shall have power—

To enter into contracts, make loans, and to acquire, by purchase, eminent domain, gift, or otherwise, any real or personal property, or any interest therein.

That is an all-inclusive power to acquire any kind of land which, in the judgment of the board, should be acquired.

Mr. BANKHEAD. I submit to the Senator that any administrative officer would consider the declared policy of the bill, and, in administering a farm-tenant program with money authorized for that purpose, would not use the money to buy post-office sites.

Mr. McNARY. That is the Senator's conclusion as to what might possibly occur.

Mr. BANKHEAD. I think the bill ought to be reasonably construed. If the Senator wants to limit it to farm purchases, I have no sort of objection, because I know that that is the object, and I know that no administrator accountable to Congress would think of spending the money for some foreign and extraneous purpose.

Mr. BLACK. Mr. President, will my colleague yield to me?

Mr. BANKHEAD. Certainly.

Mr. BLACK. Of course, in construing the paragraph to which the Senator refers it would be necessary to consider it in connection with other paragraphs of the bill.

Mr. McNARY. That is quite true.

Mr. BLACK. On lines 18, 19, and 20 of page 24 the Corporation is given power to do certain things:

*Provided*, That any individual farm shall be of such size and fertility and so stocked and equipped as to reasonably indicate returns which will permit the occupants thereof to repay any obligations incurred by them for the purchase thereof.

It would seem that that and other statements in the bill would indicate that it was the object to buy land of sufficient fertility to accomplish the purpose of the bill.

Mr. McNARY. Mr. President, the section to which the Senator alludes, section 9, contemplates the establishment of farms, together with buildings, and purchases of livestock and equipment; in other words, to start the farmer out on his venture. That might be wholly dissociated from the broad power given to purchase real estate of any kind.

I am not going to ask for a correction of the language. I am merely trying to arrive at a correct conclusion in view of the question submitted by the Senator from North Dakota [Mr. Nye].

Mr. BLACK. I understand that; but if my colleague will yield further—

Mr. BANKHEAD. I yield.

Mr. BLACK. Section 10, in giving the power, explicitly provides in the first sentence that—

In carrying out the provisions and purposes of this title, the Corporation shall have power—

The purposes of this title are to sell farms of sufficient fertility to assure the repayment of the loans. Therefore it is my idea that if the Board, under this language, should attempt to buy submarginal lands not of sufficient fertility to enable the tenant to make repayment, it would be going beyond the object and purpose of the bill.

Mr. McNARY. Mr. President, if the Senator will yield, it is my judgment that the Board, in its wisdom, in trying to carry out the purposes of the act, would not acquire submarginal lands.

Mr. BANKHEAD. Mr. President, the Senator from Illinois asked me about the return and the manner of repayment. He has been called from the Chamber; but that subject is, of course, a matter of interest to all of us, and I shall briefly state what is involved in it.

The bill provides for a rate of interest of 3 percent. It provides that the administration may make loans to be amortized over a period not to exceed 60 years.

Mr. McNARY. Mr. President, will the Senator yield there?

Mr. BANKHEAD. I yield.

Mr. McNARY. I make this statement not in criticism; but the rate of interest charged the tenant is much lower than is now charged owners of farms, and much lower than has been charged them during all the years. So a tenant or cropper will actually have an advantage over a present owner, or an owner in past years, so far as obtaining Government funds is concerned.

Mr. BANKHEAD. I recognize that, Mr. President. The rate of interest is not very much lower, however, than that prescribed in the bill we passed a few days ago, reducing the Federal land-bank interest to 3½ per cent. In addition to that suggestion, the interest to be paid to the Federal land banks on the Federal land-bank mortgages is for the purpose of meeting the interest and amortization upon bonds issued by the Federal land banks when they secured the money. In this instance that particular reason does not prevail, because we are going at this business on a pay-as-you-go basis, so to speak. Here the money, of necessity, is taken out of the current funds of the Government, because we do not provide for any continuing credit facilities covered by interest-bearing obligations. We have in mind a type of citizen whose condition must of necessity be considered.

Frankly, I adopted this rate of interest in the bill because of the outstanding pressure to do so. As the Senator from Oregon will remember, when a similar bill was previously before the Senate we put in it a provision that the rate of interest—that was at a time when a bond issue was pro-

vided for—should be as low as that at which the Government was able to secure the money. I think that was an equitable program, especially when we were planning to meet the interest maturities and the principal of an outstanding bond issue. In this instance, however, it is proposed to pay small amounts of money out of taxes.

Consider, for instance, another popular program, the C. C. C. There we are paying around \$1,000 a year to each of the boys of the C. C. C. We are not collecting any interest. We are simply giving them the opportunity for healthful training that they can get in the Civilian Conservation Corps, and it is costing us more than \$300,000,000 a year.

Here is a class of workers who qualify in very much the same group as the members of the Civilian Conservation Corps. They are not all young, as are the enrollees in the conservation camps, but they are all nearly down upon the borderline between self-support and going upon the relief rolls. Many of them at least are in that situation. So it seems to me it is not unfair to give these people the lowest possible rate of interest upon an appropriation which comes directly out of the Treasury.

I think nearly all of us recognize that the time must come when the Government will quit issuing interest-bearing obligations and adjust the income to its outgo. When that time does come, when the Budget is balanced, these appropriations of necessity will be taken into consideration; and they are, as I said a moment ago, upon a pay-as-you-go basis. So it is not helpful to the poor, down-and-out under dogs in agriculture to say that they must be placed upon as high a basis, so far as interest is concerned, as are the farmers who own their own farms.

Mr. McNARY. Mr. President—

Mr. BANKHEAD. I yield.

Mr. McNARY. The inquiry I made was directed to the fact that under this bill we are giving the tenant a very great advantage over the toiling landlord who has saved his home, paid his taxes all these years to construct schools and roads, and has been a good citizen. There ought to be a plane upon which we would go no higher, and stabilize the Government charge for money. If we are going to give a tenant a rate of 3 percent, we should give the present owner of property a rate of 3 percent. The best we are doing at present is giving him a rate of 3½ percent for 1 year and 4 percent for the next year. During all the years of which the Senator speaks the borrowers have been paying 5 and 6 percent to the land banks. There ought to be some uniformity in the charge for Government funds; and I do not believe that a tenant should pay a lower rate than the struggling landlord who has been a good citizen during all these years.

Now, let me ask the Senator whether the money can be obtained by the Government for 3 percent. If not, where is the loss to be charged—against the Treasury?

Mr. BANKHEAD. I do not think there is any doubt about that. We are not proposing to borrow the money. We are proposing to take it out of taxes.

Mr. McNARY. I appreciate that; but a great deal of the money the Government uses must be borrowed on the market.

Mr. BANKHEAD. Yes; but I have just stated that I hope that day will come to an end before very long.

Mr. McNARY. I hope the day will come when we shall not have to pay any taxes.

Mr. BANKHEAD. I do not think the Senator means that.

Mr. McNARY. Let me ask the Senator another question about the 3-percent interest rate. I use it only in connection with the policy of the land banks, which charge 6 percent, with 1 percent covering the cost of administration, leaving 5 percent to apply on amortization of the capital and on the accruing interest. This proposal has 3 percent as a base. Is any item of administration considered in this connection, or is the cost of that also to be taken out of the Treasury?

Mr. BANKHEAD. It is to be taken out of the 3 percent, I assume. As I have just stated, the principal comes out

of the tax money as the bill stands now. There is not any doubt about that.

Mr. McNARY. What I want to ascertain is the attitude of the Senator. Is the 3 percent to cover the cost of the money to the Government and the cost of administration?

Mr. BANKHEAD. Not the cost of the money to the Government. I assume that the money will come out of the people through their taxes, chiefly from the income-tax payers, because the income tax is our chief source of revenue.

Mr. McNARY. Has the Senator made any estimates as to the cost of administration of this bill?

Mr. BANKHEAD. It is impossible, I think, for an estimate of the cost to be made in advance. Now I want to make a further statement, and I am very glad indeed the Senator has brought up the matter. I assume that the Senator wishes to know my attitude, because that is all I can speak of.

Mr. McNARY. Yes; I value it.

Mr. BANKHEAD. I say that I am ardently hoping, and I shall with pressure insist, that this program shall be administered at less cost than any other program that has been executed by the present administration.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Alabama yield to the Senator from Texas?

Mr. BANKHEAD. Just let me finish the sentence. Here is the under dog so far as any measures the present Congress has passed are concerned, except possibly those coming under the relief bills. Here is the poorest group of people, at least, to whom loans have been authorized by our Government. There are local committees which have served without compensation in order to help their fellow men in the counties, and, to save my life, I cannot see any real justification for a top-heavy overhead, either in Washington or in regional offices, and whatever I can do to contribute to that end I shall certainly do all I can to bring about an economical and a cheap administration of this program for the poor farmers of this country.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. In connection with the inquiry of the Senator from Oregon as to the low rate of interest, and as to the expenses of administration, let me ask the Senator from Alabama whether it has not been true in every country which has made a success of this kind of a plan—England, Ireland, Denmark, and other countries—that they fixed a low rate of interest, absorbing part of it by the Government, on the ground that it was to the interest of the Nation to carry forward this sort of a program? They did not put it on the cold, hard basis of a rate that was chargeable in commercial transactions. In other words, it is a form of subsidy, and we might as well acknowledge it, just as the Government is subsidizing the merchant marine. Why are we doing that? Because we want a merchant marine. We are subsidizing the farmers because the Government itself has an interest, irrespective of the welfare of the individual farmer who owns a farm; the Government has a paramount interest in getting people back on the land who will own the land and till the land and be stable, and not be in the bread lines, and not be in the picket lines, and not be raising the devil all the time.

Mr. BANKHEAD. Mr. President, I have a statement here which I ask unanimous consent to have incorporated in the RECORD immediately following my address.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. BANKHEAD. The statement gives a list of countries where the farm-tenancy program has had governmental attention, the program going back in some of the countries as far as 70 years. The list gives the rate of interest in each of the countries, and there are some twenty-odd countries in the list. It gives the time allowed to pay for the land, and for the repayment of loans, and I may say that the interest

rate varies from 2½ percent to 4½ percent. The time given for amortizing the loans varies from 30 years to 75 years.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LOGAN. I have made some study heretofore of the plan in Denmark, I believe it is, and I think that is the best of the plans. What is the rate of interest in Denmark?

Mr. BANKHEAD. From 3 to 4 percent.

Mr. LOGAN. The program there was started in 1891, I believe.

Mr. BANKHEAD. It was started 65 years ago. When the program was started in Ireland, there was 97 percent of tenancy on all farms. I am informed that today the figures are exactly reverse, and there is 97 percent of farm ownership upon the farms.

Mr. LOGAN. I think that is correct.

Mr. BANKHEAD. So there have been wonderful results, both in Denmark and Ireland, and the programs in both countries were based upon the principles involved in the pending bill; that is, Federal credit over a long period of years at a low rate of interest.

Mr. VANDENBERG. Mr. President, will the Senator permit me to ask him a question?

Mr. BANKHEAD. Certainly.

Mr. VANDENBERG. With 2,600,000 tenant farms, and only \$10,000,000 to initiate the program, it would seem to be manifest that there will be terrific competition for the initial grants. Upon what basis will priorities be granted, in the Senator's judgment, in the initial distribution of this highly limited fund?

Mr. BANKHEAD. Of course, the initial appropriation can do little more than merely bring about demonstrations in different sections of the country of what can be done under the plan. Undoubtedly it provides in the first year simply for setting up an organization, and using it to put as many people as possible under the appropriation upon the farms, to test, as well as may be, how the plan is going to work.

No one has any thought that we can provide Federal credit for every tenant farmer in the country who desires to own a home, because I dare say that more than half of the farm tenants, regardless of their intellectual standards, and regardless of all other considerations, have a longing for homes of their own, for themselves and for their families. I shall not digress at this time to go into the subject of home ownership, its desirability, and its value. Those things are well known to every man intelligent enough to serve in the Congress of the United States.

Mr. HALE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. HALE. I am not very familiar with this type of legislation. In my State there are very few tenant farmers. I think Maine has the lowest percentage among all the States of the Union.

Mr. BANKHEAD. I think that is accurate, be it said to the credit of the Senator's State and the citizenship of that State.

Mr. HALE. I wish to ask the Senator whether it does not seem to him that the proposed legislation is going pretty far when it gives the corporation to be created the right of eminent domain?

Mr. BANKHEAD. The Government has that power under nearly all of its organizations. It is not intended that the Government shall go out and take a man's farm, but it is intended to make it possible to clear titles.

Mr. HALE. But it might be used as a means of taking a man's farm.

Mr. BANKHEAD. It might be, but such a power never has been so used. There is the power of condemnation not only for the purchase of military posts and post-office sites but for the acquisition of title to land where the land is being overflowed for the development of commerce upon a river. There is the same power in the Tennessee Valley Authority Act, and it has been used at times, but never abused. I know from experience and observation in my

home town, where I practiced law, and saw, every time the Federal court met there, a long list of condemnation cases upon the court docket, that it was used to clear titles where the Government had caused land to be overflowed, but where there were absentees, or minors, or defects in the old records. But never, I am sure, was it used to deprive any citizen of his right of ownership or of his property. It is simply to save time. The Government could not get along in river matters without the right of eminent domain.

Mr. HALE. Mr. President, the Senator has said that the Government already has this right.

Mr. BANKHEAD. It has.

Mr. HALE. Then why reiterate it in this bill?

Mr. BANKHEAD. It does not have it in matters of this sort. This bill creates a corporation, which is a governmental corporation, just like the Tennessee Valley Authority. The power is specifically given to the corporation in the Tennessee Valley Authority Act, and is very consistently exercised, but never to bring about an injustice. It is simply a curative matter, to correct titles, so that the Government may pay people who own the lands which are overflowed.

Mr. HALE. If I had a farm and leased it to a man who happened to like the farm, under the provisions of the pending bill he could go to the corporation set-up, could he not, and ask their help, and they could then acquire the land by eminent domain and turn it over to him?

Mr. BANKHEAD. I will say to the Senator that I do not intend to go into possibilities—

Mr. HALE. Then, why leave the loophole?

Mr. BANKHEAD. There is no loophole about it. It is provided for a case where it is necessary to clear up titles. The corporation might want to buy a farm, and there might be one minor under a guardianship having an interest; all the adults interested might be favorable to the transaction, as I have often seen, and it would take months and months to go through guardianship proceedings in a probate court to acquire the title of the minor ultimately by public sale. The minor's interest may be acquired and the transaction completed and the minor's right protected by the court, as condemnation proceedings can only go through the courts of our country.

The Secretary of Agriculture will control the corporation, under the language of the bill. It is simply a corporation for convenience in handling titles. I think the Senator upon reflection will not entertain the idea that any Secretary of Agriculture would be used as an instrument of persecution and injustice to anyone through the exercise of the power of condemnation. I do not regard this as an important item in the bill.

Mr. HALE. Then, would the Senator be willing to strike it out?

Mr. BANKHEAD. No; I am not willing to strike it out, unless the Senate decides to strike it out, because I think on many occasions it will be helpful, just as a similar provision has been in the case of numerous other agencies of the Government. Regardless of who may administer the law, I do not believe the Government will ever abuse such a power, as the Senator from Maine seems to have a suspicion it might do.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. The Senator said that the right to exercise the power of eminent domain is provided in the bill wholly because it is necessary to clear titles.

Mr. BANKHEAD. That is my idea. I said, in addition, that there might be a minor heir whose title could not be acquired, although there was a large group of adults whose titles were acquired. I do not know whether or not that would be construed as solely to clear titles.

Mr. BAILEY. I do not think that question could arise, because all the States have statutes providing for the conveyance of land, under the supervision of the courts, on behalf of minor heirs, and even unborn heirs. I wish to ask the Senator whether he would not accept an amendment

limiting the exercise of the power of eminent domain to instances where it may be found necessary to clear title?

Mr. BANKHEAD. If the Senator really has any feeling about it, I will agree that the provision may go out of the bill, though I do not think it ought to go out.

Mr. BAILEY. I have very considerable feeling about giving the United States Government general power of eminent domain. It has, by the Constitution, no title to land outside of the District of Columbia. The titles are in the States, and I am very much concerned that the titles of lands and the tenures in our country shall always be derived from the States, rather than from the Federal Government. I think the Senator will find there a great principle of our whole national life.

Mr. BANKHEAD. I do not agree with the Senator that the Federal Government cannot acquire title. If it could not, then all the forestry programs would fall; all the national-park programs would fall; all the river improvements and flood-control measures would of necessity fall; all of them would fall if the Government could not acquire title to land.

Mr. BAILEY. What I wish to make clear to the Senate is that the historic tenures of land in the United States are derived, certainly so far as the Original Thirteen States are concerned, from the States. I think it is true with respect to other States. However that may be, it is of very great importance that we shall maintain the land-tenure system of this country as it now is—in the States and not in the Federal Government. We are centralizing everything else. Let us at least not centralize our homes and our tenures.

Mr. BANKHEAD. Mr. President, I ask unanimous consent to have printed in the RECORD immediately following my remarks a table showing the number of farms, the number operated by tenants according to the census of 1930, and also the number operated by tenants according to the census of 1935.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit B.)

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. VANDENBERG. I call the Senator's attention to the language at the bottom of page 21 and the top of page 22. I read from subsection (h), which gives the Board the power of determining—

The character and necessity for its expenditures under this act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds, and such determinations shall be final and conclusive upon all other officers of the Government.

Does the Senator know of any far-reaching immunity of that character which has been written into any other law?

Mr. BANKHEAD. Yes; I can inform the Senator as to that. That provision is copied from the crop-insurance law which the Senate recently passed.

Mr. VANDENBERG. Does the Senator think it is necessary to leave out all audit?

Mr. BANKHEAD. I will say very frankly that with respect to little details down upon the farm, and where improvements are being made, where they are buying nails here and lumber there, and hiring a carpenter, and all that, my view is that such items should not be inquired into in advance. A detailed statement of such items should not have to be made in advance before the bill goes to the Comptroller's office. A provision sufficiently broad to cover such situations can be incorporated in the measure.

Mr. VANDENBERG. I do not quarrel with that viewpoint at all; but I cannot believe that the Senator would say fundamentally that when we create an independent corporation of this magnitude and give it subsequently enormous funds to administer, we should say they may incur, allow, and pay any bills they see fit, without being responsible to any other auditing authority in the Government. Is that not a broader power than ought to be given them?

Mr. BANKHEAD. I will say to the Senator that I do not know. I think the corporation ought to have general power

with respect to items of detail. I have no objection to the Senator clarifying the provision, but, as I stated a moment ago, that language was taken from the crop-insurance law, a measure recently passed by this body.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. POPE. There was a similar provision in the crop-insurance law passed by the Congress; but there was also a provision in that measure giving to the General Accounting Office and the Comptroller General full power to examine the books, and to make an accounting, and to point out any errors they might find.

Mr. VANDENBERG. Of course that totally changes the situation.

Mr. BANKHEAD. That is in this bill.

Mr. VANDENBERG. Will the Senator point it out to me? Then I shall be entirely content.

Mr. BANKHEAD. It is on page 23, subsection (c).

Mr. POPE. Mr. President, I will say to the Senator from Michigan that that is substantially the provision which is in the Crop Insurance Act to which I referred.

Mr. VANDENBERG. The section to which the Senator now refers me requires an audit solely for reports to be made to the Congress.

Mr. BANKHEAD. Yes; it provides for an audit, not a preaudit.

Mr. VANDENBERG. And that is the provision in the Crop Insurance Act?

Mr. POPE. Yes.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. ADAMS. I should like to make an inquiry for information. A question arising from the colloquy which has taken place is as to whether or not the corporation which is to be created under this measure would have any authority to borrow money; or is the corporation limited to the money which is subscribed by the Treasury, or which is used to purchase the \$10,000,000 of stock?

Mr. BANKHEAD. No authority is given to borrow money.

Mr. ADAMS. Is there any obligation on the part of the United States to guarantee or stand behind any obligation the corporation may undertake?

Mr. BANKHEAD. It is just like any other organization set up by the Congress. It is dependent upon the appropriations made by Congress.

Mr. ADAMS. Then, as a matter of fact, it is in effect a corporation. Some of the statutes relating to public expenditures would not apply to this corporation—that is, some of those which are waived in the section to which the Senator from Michigan [Mr. VANDENBERG] called attention. But that is incidental. I come now to the real question in which I am interested. In view of the fact that no hearings were had at this session, I am wondering what the Senator's view is as to the cost necessary to set up a tenant upon a farm equipped as the statute provides, with necessary animals and implements, so that he may be a going landowner?

Mr. BANKHEAD. The cost varies, of course, in different sections of the country. A tenant can be so set up in the South very much cheaper than in the West and Northwest. That was recognized at the hearings on a similar bill last year. It is recognized now.

Mr. ADAMS. No additional investigation has been made of that particular subject?

Mr. BANKHEAD. None by way of hearings. There have been a great many conferences and discussions and considerable information has been developed; but nothing has been brought forward since that time to change what we all realized then to be true.

Mr. ADAMS. That raises the question as to how many tenants can be taken care of. In the western section of the country I imagine that a man who has been a tenant cannot be set up as a going landowner for less than \$5,000 per

farm. If that were true throughout the country, the amount herein provided, \$10,000,000, would take care of only 2,000 tenant farmers.

Mr. BANKHEAD. I will say to the Senator that in the South, in the section with which I am familiar, I shall be very much disappointed if it costs above \$2,000 per tenant farmer. I introduced in the Senate the Subsistence Homestead Act, in which I limited the cost of these little homes to \$1,500. The Congress subsequently increased it to \$2,000 per home.

Mr. ADAMS. What is disturbing me, and the dilemma in which I fear we shall find ourselves, is that if the amount of money is limited, as it is, to \$10,000,000, the number of tenants taken care of will be relatively small. The share of my State would not provide for over 20 to 25 tenants. If we should undertake to appropriate sufficient money to take care of a substantial part of the two and a half million farm tenants, we should go beyond what I think might be the fair capacity of the Government to finance.

That is the dilemma in which we find ourselves, and that is what is bothering me.

Mr. BANKHEAD. That will have to be met, of course, by subsequent Congresses as we proceed with this matter. We are certainly not making any raid upon the Treasury with the present program.

Mr. ADAMS. No; but I am wondering whether or not the amount of money that is to be used now will make a dent in the vast number of cases of tenant farmers.

Mr. BANKHEAD. No; it will not. Ten million dollars will not. Neither will \$25,000,000. Here is a program which, as I pointed out, has been running for sixty-odd years in Denmark.

Mr. ADAMS. The Senator regards it rather as an experimental program?

Mr. BANKHEAD. Yes; as a demonstration, to see what can be worked out.

Mr. ADAMS. Let me ask one other question. I notice that there are two or three sections in reference to taxation. Can the Senator give a concise summary of the result? I am thinking of the county where there is farm land now subject to taxation which is taken over. One section of the measure exempts the property of the corporation from taxation, and a subsequent section says that under certain conditions real property is to be taxed.

Mr. BANKHEAD. I have an amendment on the subject of taxation which I referred to in my opening remarks, and the Senator from Oregon [Mr. McNARY] suggested that I delay presenting any amendments until we get further along.

However, let me say as to taxation that while the language of the bill does not aptly express the thought, I intended that there should be no exemption from taxation of any land held by a lessee or a purchaser with a view to becoming the owner of the land; that he should have no special privileges on that point as compared with his neighboring land home owners. That is what the bill will provide if my amendment is adopted, and it will be clarified accordingly. Of course, there is an exemption of the assets and franchise and cash of the corporation, because no Government agency should be subjected to taxation upon the appropriations that Congress makes for the purpose of administering it.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BILBO. In answer to the question asked by the Senator from Colorado, I will say that it is true that we have had no hearings on the bill since the hearings of last year; but since then we have had the benefit of the survey by a tenancy commission appointed by the President, which has made a very elaborate report on the proposal.

Mr. BANKHEAD. That is true. We had the benefit of that report.

Mr. President, I shall now bring my discussion to a close. First, I ask unanimous consent to have printed in the Record, immediately following the conclusion of my

remarks, an extract from the Democratic platform of 1936, and also one from the Republican platform of 1936, bearing upon the subject of tenancy.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit C.)

Mr. BANKHEAD. I also desire to have printed immediately following my remarks an extract from a statement by President Roosevelt, made in his campaign speech at Omaha, Nebr., on October 10, 1936, bearing on this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit D.)

Mr. BANKHEAD. I also ask unanimous consent to have inserted in the RECORD an excerpt from the President's letter to Secretary Wallace, dated November 16, 1936, relative to the special committee on farm tenancy appointed by him.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I am anxious that we thoroughly examine and report on the most promising ways of developing a land-tenure system which will bring an increased measure of security, opportunity, and well-being to the great group of present and prospective farm tenants. The rapid increase of tenant farmers during the past half century is significant evidence that we have fallen far short of achieving the traditional American ideal of owner-operated farms. The growing insecurity of many classes of farm tenants, frequently associated with soil depletion and declining living standards, presents a challenge to national action which I hope we can meet in a thoroughly constructive manner.

As you know, Senator JOHN H. BANKHEAD and Representative MARVIN JONES have manifested a keen interest in this problem and, during the Seventy-fourth Congress, worked actively in behalf of proposed tenancy legislation. It is my desire that the committee consult with them. It will be helpful also to secure the views of other State and National leaders.

Mr. BANKHEAD. I also ask unanimous consent to have printed in the RECORD an extract from the address of Governor Landon—a campaign address—delivered at Oklahoma City on October 23, 1936, in which he declares for this program.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

Here in Oklahoma you have been particularly interested in the plans of this administration for solving the growing farm-tenancy problem. This should have been one of the first problems attacked by this administration. But you know that so far it has been talk, not action. In fact this administration has made the tenancy problem worse through its large payments to big landowners. The Republican program would limit such benefits to the family type of farm. It would not help corporation farmers concentrate land ownership still further.

The farm-tenancy problem is one of the most serious long-time problems confronting the Nation. It is more than just a farm problem. It touches every State, every section, and every field of endeavor, and there is no problem that I am more eager to solve.

Our national welfare demands that this situation be corrected. If history teaches us anything, it teaches that the stability of civilization depends upon ownership of the land by the man who works the land. The owner-operated farm is the foundation of a sound agriculture.

It is our pledge to extend, within the limits of sound finance, adequate credit at reasonable rates, to capable tenants and experienced farmers, for the purchase or refinancing of farm homes.

Protection of the family type of farm is the philosophy that runs like a thread through the Republican platform. It is in keeping with the American tradition, which is based upon preserving individual opportunity. And we must preserve that opportunity if our farm boys and girls are to make the farm their homes and farming their life work.

Mr. BANKHEAD. I desire also to have incorporated in the RECORD an extract from a letter of William Green, president of the American Federation of Labor, written 2 years ago, referring to the farm-tenancy bill then pending before the Senate.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

I have given special consideration to the Bankhead bill. We are in hearty accord with this proposed legislation and gladly extend all assistance and help possible in any effort which may be put forth to secure its enactment into law.

Mr. BANKHEAD. I wish to read a very brief extract from a statement made by Representative WADSWORTH, of New York, in the House when the farm-tenancy bill was

pending there a few days ago. Many members of the Senate are acquainted with Representative WADSWORTH, who was a former Senator in this body, a man of very great ability and of outstanding conservatism. His statement was, indeed, a surprise to many of us on this point. I will read it because it is brief. Mr. WADSWORTH said:

We are starting on a tremendous experiment. It has been with great reluctance that I have been brought to the conclusion that we should start on such an experiment. My inclinations have always been against the Government of the United States taking any part in business or in financing what might be termed "private commercial undertakings", be it upon a farm or in a factory.

But this question of farm tenancy and its underlying problems have become of such immense importance in the life of the Nation, important from its social and political aspects, as well as economic, that reluctantly, as I admit, I have come to the conclusion that the Federal Government should undertake this cure.

Further, I should like to read a statement by Dr. George Foster Peabody 2 years ago, at Warm Springs, Ga. The statement is as follows:

I have no doubt but what this new tenant bill, if passed and properly administered, will help to remake many of our agricultural sections. What we need in America is more home owners and fewer tenants. Change a tenant to a home owner and you plant the seed of stability and permanency. You lift the social, economic, and moral standards of the community. You change indifference to interest and shiftlessness to thrift. In short, you remake both the individual and the community. That is undoubtedly the reason the churches are supporting the measure. They see in it a program of more homes instead of merely places to stop a while. And the home is the backbone of our civilization. It is what the churches and the schools build on, and it is these things that have made America what it is today.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BANKHEAD. I yield.

Mr. BORAH. I merely wish to ask from whom the Senator was reading a moment ago?

Mr. BANKHEAD. I was reading from a speech delivered in the House of Representatives by Representative WADSWORTH, formerly a Senator in this body from New York. I read an extract from the speech that he made on Monday last on the farm-tenancy bill which passed the House.

Mr. POPE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BANKHEAD. I yield.

Mr. POPE. With reference to the bill of the Senator from Alabama as compared with the bill as passed by the House, it seems to me that title I of the Senator's bill is preferable to title I of the House bill, for the reason, as the Senator explained, that the Government may purchase the land and sell it to the tenants instead of lending money to the tenant with which to purchase the land. Therefore, it seems to me that that provision of the Senate bill is preferable to the provision of the House bill.

I should like to ask the Senator, however, whether he would consider as an amendment to his bill including title II of the House bill referring to rehabilitation loans? The House provision gives broader powers than are contained in the Senator's bill. As I read it, under the Senator's bill money may be expended by the Government for purchasing the necessary buildings and structures, livestock, equipment, machinery, and furnishing supplies and facilities, while in title II of the House bill authority is given to make loans for the purchase of the items referred to in the bill of the Senator from Alabama and also for refinancing indebtedness and for family subsistence.

It seems to me that it is important to the tenant that the larger powers be given to the board. I think in many cases it is just as important to the tenant that he may be enabled to subsist for a time and that his indebtedness may be compromised and adjusted as it is that he have land on which to live or stock with which to cultivate his land. Therefore, I ask the Senator whether he would consider accepting an amendment giving to the board the powers proposed to be granted in title II of the House bill?

Mr. BANKHEAD. I will say to the Senator that I have not given special consideration to the language of the pro-

visions of that portion of the bill. The Senator from Oregon [Mr. McNARY] raised a question here today about the additional provisions in the bill. The differences, of course, will be in conference between the two Houses.

Mr. McNARY. Mr. President, I should like to ask what was the question propounded by the Senator from Idaho?

Mr. BANKHEAD. The Senator from Idaho asked me if I would agree to accept the rehabilitation section of the House bill as amended. I told him I had not studied it. I think the rehabilitation program is exceedingly desirable, but I do not like to accept it here on the floor. If the bill goes to conference, we can work it out there, and there may be some changes or adjustments which will be necessary. Senators know how it is in connection with a matter of that kind which is suddenly sprung here. We are going to have to give up something, I presume, anyway, before we get through; but I do not see why the Senator wants to press the suggestion in connection with the bill now before the Senate.

Mr. POPE. I desired to get the Senator's view as to the suggestion.

Mr. BANKHEAD. I am friendly to rehabilitation, and always have been. I think it is one of the best forms of relief, because it puts the farmers on the farms and lets them work out the advances and when they get the money they pay the loans back in large measure. It is not like the case of relief workers under Mr. Hopkins.

Mr. ADAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Colorado?

Mr. BANKHEAD. I yield.

Mr. ADAMS. I will say to the Senator that I have only seen this bill today, and I should like to have the Senator inform me as to the meaning of two provisions, one at the bottom of page 25, and the other on page 26. The provision at the bottom of page 25 reads:

In the acquisition of any real property, the provisions of section 355 of the Revised Statutes, as amended, shall not apply.

Then I make a similar inquiry as to the provision on the middle of page 26, which reads:

Any lease may be made without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat., 412).

I wish to inquire as to what those exemptions relate?

Mr. BANKHEAD. As I recall—of course, it is difficult to remember all the section numbers of the statutes—from the text, the section referred to on page 25 requires generally that the Attorney General pass upon the title of all lands acquired by the Government.

Mr. ADAMS. Does the Senator have recollection of the section on page 26 in reference to leases?

Mr. BANKHEAD. The statute requires wherever the Government leases property that it be advertised. The statute was enacted a few years ago, as I understand, because of the situation affecting post-office leases. The provision in the bill simply eliminates that provision of the statute so far as this bill is concerned, and permits the retention of the leasing provisions of the bill.

Mr. ADAMS. Mr. President, I will ask the Senator with reference to the provision on page 33, making available for the purposes of this act "any unexpended balances of funds allocated to the Secretary of Agriculture for the acquisition of such lands."

I am wondering how much money the Senator feels will be added to the \$10,000,000 by making available unexpended balances. We had a discussion a while back as to unexpended balances, and my recollection is that a very large sum of money in unexpended balances is in the hands of the Secretary of Agriculture and available for the purchase of land. I am wondering whether the Senator means to add this large sum to the \$10,000,000 proposed to be authorized this year?

Mr. BORAH. Mr. President, let me say if there is a large sum available in the form of unexpended balances which can be appropriated for the purposes of the pending bill,

we might start this bill off with the possibility of having it accomplish something worth while.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield to me?

Mr. BANKHEAD. I yield.

Mr. McKELLAR. I wish to ask a question for information. Under this bill, will the corporation buy the lands itself and then sell them or lease them to the tenant farmers?

Mr. BANKHEAD. Yes; but the theory is that the corporation will only buy them upon the application of the prospective purchaser.

Mr. McKELLAR. The reason I ask that question is that, in my opinion, the proposal to have the Government buy up large areas of land in some given locality and then attempt to move people from other localities to the new locality will be a failure from the beginning. The Resettlement Administration tried that, and, I think, made a failure of it. I have been looking at the section in regard to the functions of county committees, and I am wondering whether they have any real power under this bill. To my mind, the best possible way to select the land would be for the county agent, who, as a rule, is a very competent official—he is, certainly, in my State—to act as "next friend" or, in a sense, as guardian for the prospective purchaser of the land and help him select such a body of land as he could make a living on. I believe that work of that kind should be done locally. I am in the greatest sympathy with efforts to solve the problem of reducing tenancy. It is one of the most important questions facing the country. The enormous number of tenants in this country should make anyone feel that we ought to take some steps to reduce tenancy; but, as I look at this bill, with its enormous set-up and the tremendous expenses that must be attendant on it—and the organization cannot be established without enormous expenditures—there will be very little left of the appropriation in this bill to loan out to the tenants, and tenancy will be reduced but very slightly.

My judgment is that we ought to work through the local authority, and the best local authority to work through is the county agent, who is already, in part, a representative of the United States Government. I believe that some system could be worked out by which the county agent, knowing all the farmers in his district, could be given the power to select the farmers to whom loans might be made.

I can conceive of no more desirable condition of our country than that those engaged in farming should own the lands which they cultivate. Nothing, perhaps, contributes so much to independent citizenship as the ownership of land. A farmer who owns his land will rarely become a Communist or a Socialist or any other kind of improper "ist"; and, in my judgment, an ideal agricultural situation in this country would be for all the farmers to own their farms and have no mortgages on them. In order to accomplish this, no doubt it will take a long time. I doubt if there is any short cut to any such desirable result. I do not believe the scheme followed by the Resettlement Administration will accomplish the purpose.

We must first remember that we are dealing with a situation where the proposed applicant for farm ownership is not able, of his own means, to buy a farm; that his means are necessarily very small; that he perhaps has nothing more than a mule or a horse and a wagon and some farming implements—perhaps not even these. We must assume, because such is the fact, that the house he lives in at present is really unfitted for a man and his family to live in. We must also assume that he has no profession or calling or trade, and that his only knowledge of how to make a living is to make it on the farm. The applicants will almost all be what are known as sharecroppers or tenant farmers.

I would suggest that in each county where farm tenancy or sharecropping exists, the would-be farm owner apply to the county agent of the county to assist him, first in selecting the farm, and then in taking the necessary steps to acquire a farm under the act, and third, to have the county

agent assist the applicant by timely advice and directions how to make the best crops on the land purchased.

I would have the applicant and the county agent together select the land which the applicant desires—the applicant so that he himself can be satisfied with his farm, and the county agent to be sure that he selects a farm on which he can make a living and pay the interest plus a small amount of the principal each year.

I would next provide that if there is no house already on the land, the county agent shall assist the farmer in erecting on the farm a home suited to the applicant, or, if a home is already on the farm, the county agent shall advise about the repairs, so as to make it a livable home.

A limitation should provide that the amount to be loaned the applicant should be the sum of about \$2,500. That will appear very small to Members of the Senate; and yet, if judiciously handled, a small farm and a comfortable little house could be bought and built for this sum of money. We must remember the applicant's situation, and we ought not to let him undertake the scheme on a basis which cannot be successful.

The Government should lend the farmer \$2,500 at not exceeding 3½ percent interest for the purpose of buying a small farm with a house on it, or using a portion of this sum to buy a farm and a portion to build a house, and in addition lend him not exceeding \$400 for the purpose of making a crop. In other words, simply to buy him the land and the house, and lend him no money to make a crop, would not avail him much.

In most parts of the country where farm tenancy so largely exists, good land can be bought for some \$20 to \$30 an acre, and a comfortable farmhouse could be built for \$800 to \$1,000. The applicant should be not over 35 years of age, and should be married, and the county agent should vouch for him.

I would provide that the county agent in each county where farm tenancy exists should select not exceeding 10 applicants, and this system should be given a trial.

In other words, I think the scheme should be an enlargement of the emergency crop-loan service already in existence. The reason why this plan is favored is because the class of people who will be benefited by the act are the same tenant farmers or sharecroppers who have been borrowing from the Government through the emergency crop-loan service. We know from experience with this service that those who make these loans pay them back. Even during the depression, they paid back remarkably well; and during the depression we loaned not to a picked few, as is here proposed, but to all those in need.

Incidentally, I want to say in regard to the crop-loan service that no service that was instituted by the Government during the depression aided worthier people or did more good. But for these loans, these people could not have made crops. But for these loans, most of these people would have been on relief. The Government has lost exceedingly little money by the service, and the country has been done a vast good.

So I believe that if this service is enlarged by continuing it, and at the same time by extending it to a limited number of selected farm tenants or sharecroppers, they will thereby be enabled, without any loss at all to the Government, to buy their own farms and homes.

If we are to accomplish anything, we must be practical. We must not go into this matter in a tremendous way in the beginning, with such an enormous Federal bureau as, it seems to me, is proposed to be set up by the bill. I voted for the Senator's previous bill on this subject and shall vote for this bill, for the reason that I am so intensely interested in helping the tenant farmer that I am willing to vote for almost any measure that will even tend to accomplish the purpose. However, it seems to me that, by using Federal officials or in part Federal officials already in existence, the Department of Agriculture could have more money

to lend and at very much less expense to the Federal Government.

In my judgment, for instance, in each county in a State we might well have, say, 10 tenants or even 5 tenants to whom loans should be made in keeping with the situation in that county, farm tenants who would be willing and anxious to buy a farm that they would be advised to buy by the man who is more familiar with the farms in the county than is any other man, namely, the county agent. It seems to me we could do a great deal more good with a great deal less money in that way; that we could accomplish more if we did not set up an extensive corporation, but simply require the Secretary of Agriculture to utilize largely the employees he now has available, namely, the county agents.

In the end we have to depend on local people in order to make the program a success. We cannot and should not start a great bureau here in Washington and have the Government acquire enormous areas of land and undertake to relocate farmers from one county or one State in another county or State. The work ought to be done by the local county agents. I am wondering if there would not be some way to amend the bill so that greater powers could be given to local authorities, especially the county agents.

So far as I have been able to learn the county agents, employed in part by the Federal Government and in part by local authorities, are doing a valuable work. Unquestionably they would know, if I, for instance, should be chosen as one of the applicants to receive a loan, whether the land I proposed to buy, with their consent and with their approval, would be land upon which I could make a living. These are practical considerations we must look after and which must be looked after in any legislation. Otherwise, it seems to me we are doomed to failure in our attempt to help the tenant farmer.

There is no doubt that we all want to help the tenant farmer. It is amazing to think that today 2,664,000 out of 6,288,000 farms in the country are operated by tenant farmers.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BANKHEAD. I yield.

Mr. BORAH. The Senator from Tennessee has evidently given a great deal of consideration to this subject.

Mr. McKELLAR. I have thought about it for a long time and have devoted considerable study to the problem.

Mr. BORAH. Has the Senator arrived at any conclusion as to why farm tenancy is increasing so rapidly in this country in recent years?

Mr. McKELLAR. The depression had a great deal to do with it.

Mr. BORAH. It was growing before the depression came upon the country.

Mr. McKELLAR. Yes, it was; and it has been increasing. That is one of the reasons why I think the county agent would be such an important factor in any system we might undertake. The county agent in the first place, is a good farmer. In the next place he knows the farms in his county. In the next place he is ordinarily a man of great common sense; otherwise, he would hardly be a county agent.

Let us take the case of a young man who has been reared on a farm. His father may be a farm tenant. The young man wants to acquire a farm from the Government under this plan. He should have some one to advise him. A youngster might not know what land would produce enough to support him, and his family, if he had one. Even if we could find a committee of local people, just a perfunctory committee of local people in the county, selected with care by the Secretary of Agriculture, we could not attain the desired result, but if we had some paid official of the Government such as the county agent, who is intensely interested in everything that pertains to farming in the particular county, to my mind it would go a long way toward working

out the problem of farm tenancy in each county. Certainly it would be the way to begin.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BANKHEAD. I yield.

Mr. BORAH. It is not a very difficult task to get men back on the farms, but looking over the last 50 years of experience and consideration the increase in farm tenancy, I think it is much more difficult and a much larger job to keep them on the farms. I do not see anything in the bill that will help to do that.

Mr. McKELLAR. The Senator has evidently thought about the problem. I am sure he has given it considerable attention. I should like to have the Senator's views as to what brought about the tremendous increase in farm tenancy in the United States.

Mr. BORAH. I would not want to enter at length upon that discussion, but let me say that we will have a continued increase in farm tenancy in the country and we will have continued unemployment in the country so long as we live under the monopolistic system which now prevails. So long as private interests fix prices the producers will suffer. He cannot fix prices for the things he sells. Consider, for instance, the question of farm implements. I note that the bill provides that the Government is to buy farm implements for the tenant farmers whom we are endeavoring to help. The prices for farm implements are fixed by a combination or trust. We are going to pay a part of this money into the hands of that combination or trust. Everything which goes on the farm to make it a success, and which will have to go on it in years to come to enable a man to stay on the farm, will be purchased by the man who is trying to hold his farm and must be purchased from someone in private enterprise who fixes the price.

How are we going to keep a man on the farm after we get him there? These men have been on the farm at one time and a great many of them were once successful farmers. They have lost their farms under the same system which prevails in this day, and there is not enough money in the United States Treasury to keep them on the farm under the present system.

Another matter is that the farmer in this country cannot do business and pay the rate of interest which commercial enterprises can pay. It just is not possible in the farming business. While this particular measure would reduce the rate to 3 percent, I believe, of which I do not complain—I think that is perhaps as reasonable as could be established at this time—nevertheless, the farmer is operating generally upon the basis of commercial enterprises of the country with reference to loans, with reference to purchases, with reference to prices, and so forth, but it is not possible in the farming business, and he cannot keep it up.

Mr. McKELLAR. That is one of the things which made me doubt, if a great corporation is formed, with extensive offices here in the city of Washington—in other words, another great bureau established in the District of Columbia with a tremendous set-up of employees, whether it probably would not take for the salaries of the employees fully as much as would be left for the poor farmer under the amount appropriated in this bill; whether the poor farmer would not have very little left in the hands of that bureau to be loaned to him, and if it were loaned, it would be doubtful whether it would be of real benefit to the farm tenant.

I want to say to my good friend the Senator from Alabama [Mr. BANKHEAD], whom I know so well and respect and love—he and I were classmates at college—that I know he is a friend of the farmer if the farmer ever had a friend. I know that he is trying to do a good work that ought to be done, but with the enormous organization proposed, with very little money left to lend to the farmer, and very little local control over the loans which are to be made and over the selection of the tenants who are to be allowed to borrow the money, I am a little doubtful whether the farm tenant

really would be helped very much and whether the program which the Senator has in mind would get very far along.

Mr. BORAH. I suppose that under this bill, with \$10,000,000, we really shall not get any distance at all in regard to reducing farm tenancy. I look upon the bill as largely preparing for a survey and study of the situation, with what little experiment we can secure with this amount as a help to illustrate what the situation is, and how to deal with it.

Mr. McKELLAR. I am going to vote for the bill on that theory. That is the only theory on which I could vote for it.

Mr. BORAH. Since I asked the question earlier in the day I have ascertained that farm tenancy is increasing at the rate of about 40,000 per year. This bill will not stop 2 percent of that. When we face the proposition, and are in actual contact with it, it may help to find a way by which we can remedy the evil; but so far as really reducing farm tenancy is concerned, we cannot hope for it under this bill.

Mr. BANKHEAD. Mr. President, I desire to reply briefly to the Senator from Tennessee [Mr. McKELLAR]. I am sorry he did not hear my discussion of the bill.

Mr. McKELLAR. I heard most of the Senator's discussion.

Mr. BANKHEAD. The administration of this program will be very cheap and economical—the cheapest in all the Government. I desire to call the Senator's attention to section 5, on pages 19 and 20, which shows that the program will be under the direction of the Department of Agriculture, notwithstanding the corporation form. That is a matter of convenience only in passing upon titles, and so forth. The board is to consist of three persons employed in the Department of Agriculture, and they are to draw no additional salary. It is simply the organization of a corporate entity for the purpose of taking title and making leases, and not passing the title to everything to the United States, which requires so many formalities to get title in various deeds and in the foreclosure of mortgages. So the condition is not as the Senator apprehends; and I am glad to reassure him on that point.

Mr. McKELLAR. I suppose the Senator has had an estimate made of the cost of administration of this measure. What does he estimate the cost to be?

Mr. BANKHEAD. No estimate has been made. It is almost impossible to make an estimate in such a matter. There is a very small appropriation, and there will not be much expenditure during the first year.

I want this enterprise decentralized, just as the Senator does, in the counties, as I said earlier in the day. I think the Senator was out of the Chamber at the time. The Senator asked about the county agents. No man is stronger for the county agent than I am. There is no sort of doubt about the whole thing revolving around administration by the county agent. The Senator will note section 21, on page 31. In the first place, that section is not necessary, because the farm agents are under the direction and control of the Secretary of Agriculture. He could use them without any specific authorization; but, as the Senator will note, in subsection (a) of section 21, specific authority is given to use any of the agencies of the Government in administering this measure. If the Senator wants to make the provision more specific, it is agreeable to me; but we shall get into trouble if we undertake to write too many limitations and details into the authorization.

Mr. McKELLAR. Another question arises in my mind. I notice that the bill sets up county committees. I do not know that they are to be paid.

Mr. BANKHEAD. No; they are not to be paid.

Mr. McKELLAR. At first they will not be paid, but, of course, in a short time they will be receiving salaries, as everybody does who works for the Government, and probably they should be paid salaries.

Mr. BANKHEAD. It may be advisable.

Mr. McKELLAR. But I suggest to the Senator that if we ever succeed in reducing farm tenancy in this country, in my judgment it will be done through the county agents. The county agents, as a body of men, can do more than anyone else, to advise, first as to the applicant who should be selected. The county agent ought to have the primary right—not the absolute right; his action should be approved later on, of course—to select a certain number of persons in each county who, he believes, if the Government will lend them money, could make a success of buying land and tilling it as its owners.

Unless we adopt such a course, it seems to me we shall run into all kinds of trouble. We must have a man on the ground who is familiar with the local conditions, familiar with the lands, familiar with what they will produce, able to advise the farmer who buys lands whether they will produce enough to support him, and more than that. I do not know whether or not that is taken care of by the bill. It will be necessary not only to buy land for the farmer, but to arrange to lend him three or four hundred dollars with which to make a crop. I think also that the bill should contain a limitation on overhead.

Mr. BANKHEAD. I have not anything to say to the Senator in opposition to his views. I am standing here fighting for the county agent to have supervision of this matter, and I may have to fight at the other end of the Capitol.

Mr. McKELLAR. I am glad to hear the Senator say that.

Mr. BANKHEAD. So do not bother about the county agents. They loom big in this picture.

Mr. McKELLAR. Now let me ask the Senator another question. Suppose a young farmer in the Senator's own county should be selected by the county agent or other Government official as a suitable person to whom to make one of these loans. If a loan is made to him just to buy the land itself, that will not do. It will be necessary to provide him with a place of some kind in which to live; and there ought to be some provision, it seems to me, not only for the land but for some kind of a comfortable house in which he may live.

Mr. BANKHEAD. That is all authorized in the bill.

Mr. McKELLAR. In addition to that he must be furnished the money with which to make his crop. Take the case of those who borrow from the seed-loan office in the Senator's State and in my State and in various other States. In our locality they borrow, I think, only about \$200. That is all they are allowed to borrow. They are tenants and they borrow \$200 with which to make a crop. Incidentally the crop borrowers have paid back something like 95 percent of all the loans that they had ever made; and that was during the depression. It seems to me this bill ought to apply almost first of all to men who have had experience in farming, and who have been able to support themselves and their families during the depression by borrowing small sums from the Government at a low rate of interest. They should be given an opportunity to take advantage of the provisions of this bill, certainly the best ones of them. They should be given a direct opportunity to purchase a small piece of land and farm it with Government money, and then they should be lent enough money with which to make a crop.

If we do that, if we adopt a system of that kind, in my judgment we shall make a success of it; but I am afraid of getting the system top-heavy. There is too much corporation and too many officers and assistant chairmen and all that. I am just calling this matter to the attention of my good friend the Senator from Alabama, who has already done such a wonderful work for the farmers of the country. No Senator here has done any more, and I doubt if anyone has done as much for the farmer, in the time he has been here, as has my distinguished friend and former classmate at college. I am proud of him for the work he has done for the farmer; I take off my hat to him; but I am asking him to look at the matter not from a bureaucratic standpoint but from the practical standpoint of having men who are

now tenant farmers financed in such a way that they may own their own homes and farm and pay for them through small payments over a period of years.

#### EXHIBIT A

(Compiled by Dr. W. W. Long, Clemson Agricultural College, Clemson, S. C.)

#### Land-tenancy plans in foreign countries

Country	Rate of interest	Time given to pay for land or for repaying loan
Denmark.....	3 to 4 percent.....	65 years.
Italy.....	2.5 percent.....	50 years.
Holland.....	4.7 percent.....	
Norway.....	3.5 percent to buy land and 4 percent to owners.	
Hungary.....	4 percent.....	Do.
Austria.....	4 to 4.5 percent.....	54½ years.
Russia.....	4.5 percent principal and interest.	55½ years.
Germany.....	3.5 to 4 percent.....	56½ years.
France.....	4 to 4.5 percent.....	75 years.
England.....	4 percent.....	50 years.
Ireland.....	3.5 percent.....	68 years.
Belgium.....	4.5 percent.....	30 years.
Switzerland.....	do.....	57 years.
New Zealand.....	4 percent.....	36½ years.
Victoria, Australia.....	4.5 percent.....	Do.
New South Wales.....	3 to 5 percent.....	30 to 40 years.
Other Australian States.....	4 to 5 percent.....	Do.
British and German South Africa.....	4 percent.....	
Chile.....	do.....	33 years.
Argentina.....	do.....	
British Columbia.....	1 percent more than the interest on State bonds; 5 percent at present.	36½ percent.

#### EXHIBIT B

Total number of farms; number operated by tenants; and percent of all farms operated by tenants, by divisions and States

Division and State	Total number of farms, Apr. 1, 1930	Number operated by tenants	Percent of all farms operated by tenants		
			All tenants	White tenants	Colored tenants
United States.....	6,288,648	2,664,365	42.4	31.1	11.3
Geographic divisions:					
New England.....	124,925	7,885	6.3	6.3	( <sup>1</sup> )
Middle Atlantic.....	357,603	52,455	14.7	14.6	.1
East North Central.....	966,502	263,977	27.3	27.2	.1
West North Central.....	1,112,755	444,169	39.9	39.4	.5
South Atlantic.....	1,058,468	509,574	48.1	27.6	20.5
East South Central.....	1,062,214	593,978	55.9	30.5	25.4
West South Central.....	1,103,134	687,231	62.3	43.2	19.1
Mountain.....	241,314	58,826	24.4	23.8	.6
Pacific.....	261,733	46,270	17.7	16.7	1.0
New England:					
Maine.....	39,006	1,755	4.5	4.5	( <sup>1</sup> )
New Hampshire.....	14,906	796	5.3	5.3	( <sup>1</sup> )
Vermont.....	24,898	2,409	9.7	9.7	( <sup>1</sup> )
Massachusetts.....	25,598	1,442	5.6	5.6	( <sup>1</sup> )
Rhode Island.....	3,322	415	12.5	12.5	( <sup>1</sup> )
Connecticut.....	17,195	1,068	6.2	6.2	( <sup>1</sup> )
Middle Atlantic:					
New York.....	159,806	21,113	13.2	13.2	( <sup>1</sup> )
New Jersey.....	25,378	3,948	15.6	15.0	.6
Pennsylvania.....	172,419	27,394	15.9	15.8	.1
East North Central:					
Ohio.....	219,296	57,604	26.3	26.1	.2
Indiana.....	181,570	54,575	30.1	30.0	.1
Illinois.....	214,497	92,482	43.1	42.9	.2
Michigan.....	169,372	26,195	15.5	15.4	.1
Wisconsin.....	181,767	33,121	18.2	18.2	( <sup>1</sup> )
West North Central:					
Minnesota.....	185,255	57,638	31.1	31.1	( <sup>1</sup> )
Iowa.....	214,928	101,615	47.3	47.3	( <sup>1</sup> )
Missouri.....	255,940	89,076	34.8	33.0	1.8
North Dakota.....	77,975	27,400	35.1	34.9	.2
South Dakota.....	83,157	37,094	44.6	44.1	.3
Nebraska.....	129,458	61,020	47.1	47.0	.1
Kansas.....	166,042	70,326	42.4	42.1	.8
South Atlantic:					
Delaware.....	9,707	3,282	33.8	29.5	4.3
Maryland.....	43,203	11,441	26.5	21.4	5.1
District of Columbia.....	104	24	23.1	21.2	1.9
Virginia.....	170,610	47,970	28.1	19.2	8.9
West Virginia.....	82,641	15,347	18.6	18.4	.2
North Carolina.....	279,708	137,615	49.2	28.8	20.4
South Carolina.....	157,931	102,768	65.1	26.2	38.9
Georgia.....	255,598	174,390	68.2	38.6	29.6
Florida.....	58,966	16,737	28.4	19.3	9.1
East South Central:					
Kentucky.....	246,499	88,421	35.9	33.9	2.0
Tennessee.....	245,657	113,520	46.2	36.1	11.1
Alabama.....	257,395	166,420	64.7	34.4	30.3
Mississippi.....	312,663	225,617	72.2	20.9	51.3

<sup>1</sup> Less than 1/10 of 1 percent.

Total number of farms; number operated by tenants; and percent of all farms operated by tenants, by divisions and States—Con.

Division and State	Total number of farms, Apr. 1, 1930	Number operated by tenants	Percent of all farms operated by tenants		
			All tenants	White tenants	Colored tenants
West South Central:					
Arkansas.....	242,334	152,691	63.0	34.9	28.1
Louisiana.....	161,445	107,551	66.6	27.5	39.1
Oklahoma.....	203,866	125,379	61.5	54.3	7.2
Texas.....	495,489	301,660	60.9	47.7	13.2
Mountain:					
Montana.....	47,495	11,628	24.5	24.1	.4
Idaho.....	41,674	10,559	25.3	24.8	.5
Wyoming.....	16,011	3,520	22.0	21.5	.5
Colorado.....	59,956	20,692	34.5	33.9	.6
New Mexico.....	31,404	6,330	20.2	20.0	.2
Arizona.....	14,173	2,331	16.4	15.4	1.0
Utah.....	27,159	3,321	12.2	11.5	.7
Nevada.....	3,442	445	12.9	12.1	.8
Pacific:					
Washington.....	70,904	12,078	17.0	16.5	.5
Oregon.....	55,153	9,790	17.8	17.4	.4
California.....	135,676	24,402	18.0	16.5	1.5

Percent of all farms operated by tenants, by States, as shown by the census of agriculture, Bureau of the Census, 1935

Alabama.....	64.5
Arizona.....	17.8
Arkansas.....	60.0
California.....	21.7
Colorado.....	39.0
Connecticut.....	7.3
Delaware.....	34.8
Florida.....	28.0
Georgia.....	65.6
Idaho.....	28.5
Illinois.....	44.5
Indiana.....	31.6
Iowa.....	49.6
Kansas.....	44.0
Kentucky.....	37.1
Louisiana.....	63.7
Maine.....	6.9
Maryland.....	27.2
Massachusetts.....	6.2
Michigan.....	19.0
Minnesota.....	33.6
Mississippi.....	69.8
Missouri.....	38.8
Montana.....	27.7
Nebraska.....	49.3
Nevada.....	14.4
New Hampshire.....	7.3
New Jersey.....	17.8
New Mexico.....	19.0
New York.....	14.2
North Carolina.....	47.2
North Dakota.....	39.1
Ohio.....	28.9
Oklahoma.....	61.2
Oregon.....	21.7
Pennsylvania.....	17.7
Rhode Island.....	13.8
South Carolina.....	62.2
South Dakota.....	48.6
Tennessee.....	46.2
Texas.....	57.1
Utah.....	14.9
Vermont.....	10.9
Virginia.....	29.5
Washington.....	20.0
West Virginia.....	25.8
Wisconsin.....	20.7
Wyoming.....	23.3

#### EXHIBIT C

##### DEMOCRATIC PLATFORM, 1936

We recognize the gravity of the evils of farm tenancy, and we pledge the full cooperation of the Government in the refinancing of farm indebtedness at the lowest possible rates of interest and over a long term of years.

##### REPUBLICAN PLATFORM, 1936

8. To provide for ample farm credit at rates as low as those enjoyed by other industries, including commodity and livestock loans, and preference in land loans to the farmer acquiring or refinancing a farm as a home.

#### EXHIBIT D

Excerpt on page 4 of address of the President at Omaha, Nebr., October 10, 1936:

"It is a further part of our long-time farm policy to attack the evil of farm tenancy. In this we have already made a good be-

ginning with lower interest rates and better prices. We are preparing legislation, in cooperation with farm leaders, to submit to the Congress in January to help solve this problem. We cannot, as a Nation, be content until we have reached the ultimate objective of every farm family owning its own farm."

#### THE STRIKE SITUATION

Mr. ELLENDER. Mr. President, I ask the indulgence of the Senate to digress from the discussion of the pending bill in order to afford me an opportunity of discussing the strike situation.

Mr. President, a most serious condition confronts us today because of the strikes that have been existing between various industries and certain labor organizations since the beginning of the year. I hesitate to predict what the future has in store for us should these disorders continue to spread, but I venture to say that their continuance will bring misery and more misery to the millions of workers and toilers of our Nation. Perhaps they may lead us into the depths of a greater depression than that of 1929, for they destroy confidence, the lifeblood of business.

It is not my purpose or my desire to argue the cause of either side in these controversies. I merely propose to make a few observations with respect to the more recent disorders.

I have always sympathized with the laboring man. Labor has no doubt been the under dog of industry in the past, and I feel confident that some industries have prospered and grown rich and potent at the expense of distressed and helpless labor. But in the past few years labor has made rapid strides in its efforts to obtain from industry its just reward; and I sincerely believe that as time goes on industry will more willingly agree to share its profits with labor. I believe that a more cordial relationship could be made to exist between capital and labor if only their respective interests and welfare were considered. The fact that some industries may have taken advantage of labor in the past does not give labor the right to strike back now and attempt in turn to take advantage of industry.

In order to achieve the desired results, it is necessary that confidence, fair play, and a willingness to give and take exist between employers and employees.

It was my privilege to participate in the hearings before the Senate Committee on Post Offices and Post Roads on the resolution introduced by the Senator from New Hampshire [Mr. BRIDGES] and amended by the Senator from Pennsylvania [Mr. GUFFEY]. The resolution called for the appointment of a committee to investigate the alleged failure of the Post Office Department to deliver the mails in the strike area in Chicago, Youngstown, and other cities located in Illinois, Ohio, and Pennsylvania, and also as to the cause of the strikes in those areas.

The evidence produced was most astounding, and it clearly demonstrated the futility of the strikes. There was a decided exhibition of a lack of confidence, whether well-founded or not, between the contending parties. I hold no brief for either Mr. Philip Murray, chairman of the steel workers organizing committee and vice president of the United Mine Workers of America, or Mr. T. M. Girdler, chairman of the Republic Steel Corporation, but to my notion, there exists so much bad blood, as it were, between these two gentlemen, that I am unable to state how it would be possible for them to agree on any proposition. They are both stubborn and defiant, and apparently unwilling to trade with each other on common ground.

Mr. Murray was one of the first witnesses to testify as to strike conditions. He was, of course, very anxious to give his version of the situation, and found fault with any Senator on the committee who differed with him. He accused a few Senators of being biased and prejudiced because of their disagreement with his conclusions of the law. He accused me of being a corporation lawyer because, in the course of my examination of him, I asked a question that he interpreted as favoring the Republic Steel Corporation. He took the position that his side was right, and no one could possibly convince him to the contrary.

This organizer of labor admitted that there was no election held among the employees of the Republic Steel Corporation, Youngstown Steel & Tube Corporation, and Inland

Steel Corporation, in accordance with the requirements of the Wagner Act. He admitted that the workers at those plants were accorded the same rights and privileges, the identical amount of wages, and worked the same number of hours, with the same pay for overtime, as any other men working in the steel industry were receiving, and the only cause for complaint between his organization and these steel companies was that there was no written agreement between them. He admitted that the written agreement that was proposed did not give to the employees involved any more advantages than they were then enjoying, and, notwithstanding all of these facts and circumstances, the strikes were called by his organization.

Mr. Girdler, of the Republic Steel Corporation, stated there was no written or verbal agreement proposed, that he was paying his men as much as anybody in the business, and that he would under no circumstances sign an agreement with the C. I. O., because he felt that they were irresponsible and that a contract with them would not be worth the paper on which it was written. He later qualified this statement by admitting that he would sign, but only if the last Court in the land would order him to do so.

That, Mr. President, was apparently the cause of the strike. It may have been unwise for Mr. Girdler and his associates not to have signed a written contract, but it was bad judgment, to say the least, on the part of Mr. Murray and his associates to deliberately call a strike and keep men from work. A good deal of the evidence not only showed that there was no election held under the Wagner Act to determine who should be the bargaining agency but the strike was called without the consent of the workmen, many of whom did not know there was a strike until they were met by pickets of the C. I. O. when they returned to work the next day. There was some evidence of violence, intimidation, and lawlessness on the part of the strikers. Several witnesses appeared who testified that the majority of the workers were satisfied with conditions and were anxious and willing to return to work, notwithstanding the testimony of Mr. Murray that over 60 percent of the workers of these steel corporations were members of the C. I. O.

Mr. President, in the wake of these strikes followed violence, more lawlessness, more sorrow, and some bloodshed. Twelve human beings lost their lives, and many more were wounded and trampled upon. Judging from the testimony before our committee, the police of the city of Chicago acted in unison to uphold law and order. Both Captains Mooney and Kilroy testified that they were at the steel plants on the day 10 men were killed. They were in command of about 200 policemen. Both testified under oath that they begged the mob to go home and maintain peace, but notwithstanding their ardent pleas the mob advanced to take possession of the physical property in their charge. It was only when the mob continued to advance and missiles were thrown at their men that pistols were fired. There was some evidence of brutality on the part of policemen. In the conflict some no doubt lost their good judgment, all of which can be expected under the stress of mob violence.

Mr. President, it is sad indeed for men to lose their lives, for women and children to be made widows and orphans, because of the exercise of unpardonably bad judgment on the part of a few labor organizers and agitators. O Mr. President, how much better would it have been had both sides made an earnest effort to follow the law. How simple and easy would it have been for the employees of these steel companies to have organized themselves into a union of their own and have had an election to decide who was to do their collective bargaining.

Once that was done it would have been just as simple to have legally determined whether or not a contract should be in writing. I hope other employers and employees will benefit from these tragic events.

Employees should be guaranteed the right to join any labor union of their own choosing. They should be permitted to organize unions of their own without interference by other unions. Severe penalties should be provided for those who interfere with these rights of free Americans.

I do not concur in the publicized attitude of the so-called Committee for Industrial Organization and its organizers. These leaders are bending every effort to incorporate under their banner every form of labor in this country. What is their purpose? Why should they desire to organize the entire steel industry, all coal miners, all railroad employees, the automotive industry, the textile workers—even the Federal, State, and municipal employees, who should owe allegiance to no one but their Government? In undertaking such a gigantic task, do they really and truly have the interest of the employees at heart, or are they organizing them for their own selfish aggrandizement?

Mr. President, I see danger lurking ahead if such a movement should succeed. I see a crumbling of our democratic form of government and the destruction of the sacred rights of free government, for which our forefathers fought and bled.

Such a stupendous aggregation of workers could paralyze industry overnight. Coercion of labor by organizers and agitators is just as reprehensible as coercion by management, and has no place in our American form of democratic government. Most of you no doubt read of the threat by Mr. Lewis of what would happen should the independent steel companies not bow down to his will. He said, in effect, that he would call a sympathetic strike in other industries. He made no exception as between those which had written contracts and those which had not. His idea, I am certain, was to force a strike even in those plants which had written contracts, all in direct violation of the spirit of the contracts, if not in violation of their written provisions. Suppose he had all of the principal industries under his leadership and he attempted such a procedure! I am sure that Senators realize the consequences.

Our Government has fought and is now engaged in fighting industrial monopolies. Monopolies are powerful—they are inimical to American business. I contend that monopoly in trade-unionism is just as undesirable as monopoly on the management side of industry. Because of the competition which exists in various industries, I cannot conceive that industry could organize itself under one banner, but it may be possible for labor to organize under one management, and for that reason I fear labor monopoly even more than I fear industrial monopoly.

Mr. President, judging from press reports, it would seem that the majority of the employees who were forced to strike have gone back to work. They seem anxious to get back to their jobs, provided protection is afforded them.

Some of these labor agitators are promising more fighting! Some proclaim that they have just begun to fight! How will they fight? Will they use force or will they use legal means? Now is the time for them to display their colors. Some have shown their method of offense by inciting the dynamiting of the main water lines of one of these steel companies, and thereby putting the plant out of commission and throwing some six or seven thousand peaceful breadwinners out of work! Do Mr. Lewis and Mr. Murray approve of such cowardly acts? Let them help to apprehend the culprit who is responsible for such lawlessness and expel him from their ranks.

Mr. President, it will be recalled that when the first sit-down strike was in effect at the General Motors plant in Detroit, a Senate resolution was offered which called for an investigation of General Motors. It was referred to the Committee on Education and Labor, of which committee I am privileged to be a member. In the midst of the strike a hearing on the resolution was requested, and the committee granted it. A few witnesses were called. I took the position that I did not think the time was opportune for the hearing, because should the Senate show a willingness to take a stand in the strike, one way or the other, it might give rise to a forlorn hope to those at whose instance the hearing was being held, and thereby prolong the strike indefinitely.

Fortunately, further hearings were not had on the pending resolution, the strike was settled, and it is my understanding that no further effort has been made to have hear-

ings on the resolution. I think the Senate acted wisely. I do not believe that either the legislative or executive branches of our Government should definitely side with either party in the present controversy. I sincerely believe that the President acted unwisely when he intimated that the contracts between these parties should have been in writing, and that these steel companies should keep their respective plants closed until the strikes were settled. I know that the President's appeal was made in good faith, but his statement gave the strikers a hope that might have prolonged the strike for many weeks. Few will agree that Miss Perkins acted prudently if she intimated that the representatives of the steel company should be subpoenaed and retained in custody until they were forced to sign an agreement. I believe Miss Perkins has denied the statement, but from all reports available, in her zeal to settle the strike she has sided with the strikers, and most assuredly not in compliance with the letter of the law.

The report of the President's Mediations Board contains a clause that might not be conducive to a quick settlement of the strike. Why should the Board even suggest that a contract first be signed between the steel companies and the C. I. O., locked in a safe, and later followed by an election? Should the C. I. O. win, then the contract would be binding; if the C. I. O. lost, then the contract would be destroyed. I believe it would have been better judgment to suggest an election first, and a contract with the winner of the election. If the companies then refused, make out a test case and force them to abide with the law.

Mr. President, to my way of thinking, the President of the United States has been unjustly criticized in several instances, with regard to his authority in some of these strikes. Many felt that he should condemn this side or the other. Why should the President be embroiled on either side, unless he has the power to act? Should he attempt to prevent violence, when he has no authority to act? As I understand the law, Federal troops cannot be mustered out, unless a request comes from the Governor of a sovereign State, and unless it is shown that he is unable to cope with the situation. The President may call Federal troops when the delivery of mails is interfered with, or when interstate traffic is impeded. Some may be of the opinion that the President should have intervened in the instant case, because of the alleged interference with the delivery of mail. It is true that the Post Office Department failed to deliver a certain class of mail during the present strike. From the evidence adduced, I am of the opinion that the Post Office Department acted wisely and within the law.

It was testified that all mail which had ordinarily and customarily been delivered in the past was delivered in the usual way, but when truckloads of bread and packages of clothing were mailed, orders went out to the postmasters to refuse delivery thereof because of the lack of facilities and the endangering of the lives of the carriers. The evidence disclosed the fact that the steel companies, as well as the railroad companies, made several attempts to pass through the picket lines with food and clothing, but all in vain. The railroad tracks were even dynamited. After such attempts, why risk the lives of these Federal Post Office carriers?

Mr. President, I repeat, our Nation is facing a serious crisis. Judging from the newspapers, more strikes are in evidence, and I fear more bloodshed, unless reason and sound judgment guide the parties in interest. I admonish labor to settle their differences peaceably. The Wagner Act should be their guide. I feel confident that through collective bargaining by an agency of their own choosing they can force their employers to treat them fairly and squarely. The law is on their side, as the Wagner Act was held constitutional in every respect. They must not be misled by labor agitators who might, by coercion, intimidation, or otherwise, influence them to join a particular union. They should join unions of their own choice and, by majority, select their own bargaining agency.

Now, as to employers, I plead that they make a serious attempt to end this strife. They must realize that without

labor their plants are useless, and in order to get maximum results from labor they must treat them fairly and squarely. If an election is held among their workers under the provisions of the Wagner Act, and a particular agency is named to deal with them, why should they hesitate to put in writing what they agree to do verbally? I say, Mr. President, that to take such a position is but a subterfuge on the part of employer.

Mr. President, again I earnestly call on employers and employees of our various industries to let reason and common sense be their torch; that they overlook these so-called technicalities and be guided by what is just and fair. Both should be willing to face each other with the facts, inspire one another with confidence, and enter into agreements that will redound to their own mutual benefits and for the protection of their loved ones.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States, and for other purposes.

Mr. CONNALLY. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER (Mr. POPE in the chair). The Chair will say to the Senator that an amendment offered by the Senator from Alabama [Mr. BANKHEAD] is now pending.

Mr. CONNALLY. I ask that my amendment be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Texas will be stated.

The LEGISLATIVE CLERK. On page 31, in lines 9 and 10, it is proposed to strike out the figures "\$10,000,000" and insert the figures "\$50,000,000"; and in line 12, to strike out the figures "\$25,000,000" and insert "\$50,000,000."

Mr. CONNALLY. Mr. President, I understand that the amendment offered by the Senator from Alabama is in the form of a substitute for the House bill, is it not?

The PRESIDING OFFICER. The pending amendment is an amendment offered by the Senator from Alabama to the substitute measure.

Mr. CONNALLY. What is the pending amendment?

The PRESIDING OFFICER. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. In section 8 (b), page 23, line 16, it is proposed to insert, after the letter (b), the following: "Except as provided in section 16."

Mr. BANKHEAD. Mr. President, the amendment is purely a formal one.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama, on page 23, line 16, to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CONNALLY. Mr. President, I now ask for consideration of the amendment which I have offered and which has already been reported.

The PRESIDING OFFICER. The amendment offered by the Senator from Texas, which is now pending, has been read.

Mr. CONNALLY. Mr. President, I wish to say that I regard the substitute offered by the Senator from Alabama [Mr. BANKHEAD] as much superior to the original House bill, and I am very happy to support the substitute amendment of the Senator from Alabama. Some of the distinguishing features are that under the plan of the Senator from Alabama the Government acquires the title to these lands and then sells them to the tenants under the plan of settlement provided in the bill, whereas under the House bill it is merely a loan proposition to loan the money to the tenant to go out and buy a farm somewhere.

Mr. President, it seems to me that if any sort of farm-tenancy bill, such as that proposed, is to be a success, there must be some correlation between the various projects and the tenants who are occupying these lands. Personally, I think that for some 4 or 5 years there ought to be some

supervision. If we are to require the tenants on these properties to comply with soil erosion and other plans of the Department of Agriculture, and if they are to comply with modern methods of terracing and things of that kind, it cannot be done with an isolated farm over here and another on the other side of the county. I rather favor the colonization proposal, at least at the beginning, in order that we may have somewhat of a demonstration project in particular localities.

Mr. President, it seems to me that the benefits of a plan of this kind, if carried out in a scientific manner and in the light of experiences of other countries, are so obvious that it does not require any argumentation. I offer this amendment for the reason that the initial appropriation of \$10,000,000 in this bill for the first year will amount to practically nothing. We need not lay our hands to this plow unless we are determined for a long-range program and the expenditure of a large sum of money. By that I do not mean wasting a large sum of money, because every dollar that the Government spends ought to be represented by assets. We are supposed to acquire real estate and property in behalf of the money which is expended but \$10,000,000 over the whole United States for an entire year will amount to so little that it will not even afford a demonstration in any of the counties of the United States. So I propose that the first authorization be \$50,000,000 instead of \$10,000,000, and I hope the Senate will adopt my proposal.

Mr. President, it seems to me that the bill as it came over from the House provides for a sort of skeleton organization. It does not mean to do anything except to keep up the front for another year; just to keep up the pretense that something is going to be done about the problem at some time. If we are going to start this sort of a project, why not start it at least with \$50,000,000 for the first year? I am sure that those who have the project at heart favor such an expenditure; but the Bureau of the Budget or somebody else has caused the committees to reduce the initial appropriation to \$10,000,000.

The growth of tenancy in the United States has been and continues to be alarming. Statistics available from the Census Bureau—

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Idaho?

Mr. CONNALLY. I yield.

Mr. BORAH. The Senator was not in the Chamber when I asked the question a while ago, and I should like to have his view of it. What is the cause of the constant increase in farm tenancy in the United States?

Mr. CONNALLY. There are a number of causes. One of the causes is good roads and Ford automobiles. Another cause is that the towns and even the little villages have conveniences of life that are not available out in the country; and many of the farmers want to go to town and either get a job running a streetcar or working for the city or county or somebody else.

Mr. VANDENBERG. Or for the W. P. A.?

Mr. CONNALLY. The Senator from Michigan volunteers the W. P. A. Some of them are on the W. P. A. rolls, no doubt; and, of course, when they are driven off the farm for any reason they are going to go to town and get on the W. P. A. rolls or any other rolls they can get on whereby they can secure money with which to live. One reason, I will be frank to say to the Senator from Idaho, is the restriction of agricultural production. That has increased tenancy somewhat—that is, at least it has increased the migration from the country to the town—because when men are thrown out of employment in the country there is nowhere else to go, and no more inviting place than the town.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Idaho?

Mr. CONNALLY. I yield.

Mr. BORAH. Does not the Senator think that the program permitting the importation of agricultural products from low-cost countries will increase farm tenancy in the

United States? Does the Senator believe that the farmer of this country can prosper in competition with the agricultural producers of countries where farm labor is paid one-half, or in some instances one-fourth of what the farmer must pay in this country?

Mr. CONNALLY. I agree with the Senator and I do not have any sympathy with some of the so-called trade agreements the State Department has been making for the admission of agricultural products into the United States from foreign countries so that we can sell more automobiles to them. I am not in sympathy with that character of trade agreement. The Senator is correct that whenever we permit the importation of agricultural commodities which we can produce here at home we are contributing to the increase of farm tenancy.

(At this point Mr. CONNALLY yielded to Mr. GEORGE, who briefly addressed the Senate and requested that an editorial be printed in the RECORD. Mr. GEORGE's remarks and the editorial appear at the conclusion of Mr. CONNALLY's speech, p. 6681.)

Mr. CONNALLY. Mr. President, of course the Senator from Georgia [Mr. GEORGE] is correct in that there will always be some tenants, but there are many tenants today who if they could become home owners would undertake to pay for their farms and become owners. There are throughout the United States thousands of tenants who were once farm owners. Some of the reasons for their now being tenants are the heavy load of debt, the high interest rate, the high cost of industrial products, lack of markets which are easily accessible for their own products, and lack of the right kind of credit. Too much credit to some folk is just as bad as no credit, because they overbuy, they overload, and they cannot pay out. Easy credit in many cases has been the cause of making tenants of those who otherwise would be land owners.

But, Mr. President, the statistics reveal that in Alabama 64½ percent of the farms of the State are operated by tenants. In my own State of Texas the latest statistics show that 67½ percent of the farms were operated by tenants, and my State is a comparatively new State. Such a condition ought not to exist.

Mr. BORAH. Mr. President—

Mr. CONNALLY. I yield to the Senator from Idaho.

Mr. BORAH. That condition reaches back for many years. It is not a thing of recent growth in the last 5 or 6 years, is it?

Mr. CONNALLY. Oh, no.

Mr. BORAH. Farm tenancy, according to my reading, has been increasing very rapidly since about 1870.

Mr. CONNALLY. That is true.

Mr. BORAH. And, in my opinion, it will continue to increase under our present economic system. If the farmer must sell in a competitive market and buy in a market where there is no competition, where private interests fix prices, I venture to prophesy farm tenancy will increase regardless of anything we may do by legislation such as we are now considering.

Mr. CONNALLY. The Senator from Idaho is correct. The statistics show that over a long period of years there has been a gradual increase in the percentage of farms operated by tenants.

There are those who do not want to become landowners. I have heard tenants say that it was cheaper for them to rent than it was to buy a home. Of course, it is not so in the long run. A tenant who holds such a view overlooks the value of having a home; he overlooks the value of having a fixed place of residence and gathering about him his household goods and establishing a home from which his children may draw inspiration and which gives substance to the civic fiber of the whole community. He is looking simply at the pocketbook, and that is not a sound philosophy. One of the purposes of the pending bill is to cause the Government, the Nation, for all the people of the United States have an interest in the solution of the problem, to take steps to get men back to the land, so that each one may have a place which he can own and hold, not under feudalistic title from

anybody but from the sovereignty of the Government itself, and from which he can look the world in the face and not be disturbed by waves of industrial and economic unrest. It can be done, Mr. President. With a farm of 10 to 40 acres in any State of this Union that is at all productive, a man with a family can earn a livelihood, whether he makes any cash money or not.

I had an experience which I should like to relate to the Senate. Some years ago I saved a few dollars and had a friend of mine loan the money on security that I never saw and never knew anything about, but I had faith in my friend. So he loaned it on some little farms. Finally the owner of one of the farms moved off and left it. Then the depression came along and pretty nearly extinguished the farm. So last year I happened to be in the county where the land was supposed to be located and thought I had better go down and find my farm. I found a little road running through a rocky pasture, and as I drove on down this rocky road through the pasture I saw several cattle. My grasses were the sustenance of the farmer's cattle.

All the rent I was to get was to be derived from the production of cotton. I saw the fat cattle, and milk cans on the side of the road, awaiting the man who comes from town every day to collect the milk. I drove on down, and as I approached the barn a flock of fat turkeys flew out and almost made the sun go into eclipse. There were also many chickens scattering around the barn and half a dozen big, fat hogs, grunting all about the lot. The farmer's wife came out from the little shack on the place, and I asked, "Where is your husband?" She replied, "He is over to town at the football game." I asked, "How much cotton did you make?" The cotton was all I was interested in from an income standpoint. She replied, "We made one bale." I got \$15, and the man on that land got a living off that little, old, rocky, sorry farm, but he was getting it because he had turkeys and cows and pigs and cattle and stuff to feed them, and grass and milo maize, and all that sort of thing. He was making a good, comfortable living off that sorry old farm. That, Mr. President, is what can be done all over this country. Men farming in that way will not make any money; they will not be able to buy stocks and bonds; but they will make a livelihood; and a man on a piece of land such as that cannot be starved to death unless he wants to starve to death.

We hear much about strikes. The Senator from Louisiana [Mr. ELLENDER] made a very instructive and entertaining speech in regard to industrial unrest.

If we can get some of those folks back on the farm who were there at one time, or if we can get some new ones there, we will not have industrial unrest at least in those sections. The people would be more happy and more contented.

I do not regard this as necessarily a wasteful subsidy. It is a subsidy in a way, because if we give these purchasers a rate of interest below what the Government pays to get the money, to that extent it is a subsidy, but it is a subsidy because the national interests justify the subsidy.

Mr. BORAH. Mr. President—

Mr. CONNALLY. I yield to the Senator from Idaho.

Mr. BORAH. My attention was diverted. What did the Senator do with reference to his renter?

Mr. CONNALLY. I took the money and paid part of the taxes, and took some more and paid the rest of the taxes. [Laughter.] I sold the place, or rather, I practically gave it away shortly after that because I did not see how the landlord was going to make anything out of a situation like that.

Mr. BARKLEY. Mr. President, the Senator made a mistake in not requiring that he should be given a portion of the turkeys, hogs, and cattle as a part of his rental.

Mr. CONNALLY. If I had done that I would have violated all ethics of landlord and tenant relationship. [Laughter.] The Senator from Texas is too wise to do anything like that. [Laughter.]

Mr. President, this is a problem which has been largely solved in some other countries. We all remember the tragic

story of land in Ireland. The problem has been largely solved in Ireland. There are thousands and thousands of Irish today on their own farms. The Senator from Arizona [Mr. ASHURST] and I were in Ireland in 1930. We rode out over the countryside in that land.

Some of the most prosperous farmers in the world live in south Ireland. England had a long and bitter struggle, but the Irish Government came along and worked out a plan whereby they made it possible for the Irish tenant to become an Irish landlord or landowner.

I am told that in Denmark, which was once a land of tenants, with practically all the farmers tenants, they have worked out a system such as is contemplated in the pending bill, with low-interest rates and Government supervision, until today Denmark is a land of home owners, a prosperous land.

We will not solve this problem in a moment, we will not solve it next year nor perhaps in 10 years, but if we go about it and learn something by experience we will ultimately solve it. We will waste some money in doing it. Let us not fool ourselves about that. We waste money every time we experiment and every time we make a mistake.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. CONNALLY. Certainly.

Mr. BARKLEY. What the Senator said about Ireland and Denmark is largely true of many parts of Europe. I happened last year to be traveling through Austria and Hungary. I was interested in the agricultural problem there. I was interested in the proportion of ownership of the land in cultivation by those who lived on it and cultivated it. I was amazed when I was told by one of the ablest men I have ever met in Europe, the Minister of Justice of Hungary, that more than 60 percent of the land cultivated in Hungary—and about the same proportion prevails in Austria—is owned by those who cultivate it and live upon it.

I was interested also to know the average size of farms cultivated by those farmers, or as they call them over there, peasants. I was told that, outside of the large landed estates some of which are still left, the average number of acres owned by each farmer was only a little more than three and that on those three acres of land, by the most intensive form of cultivation, those farmers were able to make a fairly good living for themselves, produce a surplus which they might sell and out of which they might enjoy some of the things which they themselves do not produce.

Of course, as the Senator from Texas will realize, in any country where population has increased to such an extent that every acre of land must support infinitely more people than in this country, they have learned that lesson after long and bitter experience, but we are coming to the time in the United States when we must learn the lesson also. While it may be that the large land owner 20, or 30, or 40 acres looks like a mere pittance in the way of a farm, I agree with the Senator from Texas that by industry, hard work, and frugality, a man can make an adequate living upon a farm of that size if it is reasonably fertile and if it is cared for and worked as we are going to have to work and care for our land.

I am in sympathy with the Senator and with the objects of the bill.

Mr. CONNALLY. I thank the Senator from Kentucky for his very illuminating illustration.

Mr. BORAH. Mr. President, may I ask the Senator from Kentucky a question in the time of the Senator from Texas?

The PRESIDING OFFICER. Does the Senator from Texas yield for that purpose?

Mr. CONNALLY. Certainly.

Mr. BORAH. To what extent have the cooperative systems advanced in the countries of which the Senator has been speaking, where the farmers buy through a cooperative system which is not limited to the number of products which they have to sell, but covers the entire field of what they have to buy as well as what they have to sell?

Mr. BARKLEY. The cooperative system in many of the countries of Europe has gone far beyond what we have ever contemplated in this country, not only with reference to control of production and marketing and prices of farm products, but including what they purchase from others, so that it works both ways. They are able to dovetail the sale and purchase of things grown upon and those necessary to the operation of the farm to a much greater extent and in a much more effective way than the farmers of this country have ever been able to do.

Mr. BORAH. They can protect themselves in their selling and in their buying both?

Mr. BARKLEY. That is correct.

Mr. BORAH. But under our system at the present time there is no way by which the farmer can protect himself as to that which he buys and there is a very limited way by which he can protect himself in what he sells.

Mr. BARKLEY. One of the difficulties is the magnitude of our country. In smaller countries it is much easier to bring about a close cooperative system than it is in a country 3,000 miles one way and half that distance the other way, with all sorts of varied conditions. It is more difficult here to bring about a nation-wide system of co-operation among farmers, either in selling or in the purchase of commodities, than it is in smaller countries in the older sections of the world.

Mr. CONNALLY. Let me suggest to the Senator from Idaho and to the Senator from Kentucky also that it is not so much the size of the country after all as it is the fact that in countries where the population is dense and the communities are closely knit it is much more simple to have cooperative associations. For instance, in Europe they have the village system. The farmers do not live on isolated farms, but all live in the village and farm out from the village. Their social and communal life is more highly developed than it is among the agricultural people of the United States.

Mr. BORAH. Is it not also true that the living which they make upon the farm is very much lower than the standard of living in this country?

Mr. CONNALLY. It is. They do not live as well as our farmers. On many of the farms in Europe they consume the food that in a sense is not marketable. They cull over their vegetables and fruits and use the culls themselves at home and sell that which is more salable.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. CONNALLY. Certainly.

Mr. BARKLEY. In addition, it is also true that the methods of farming, even in the most prosperous sections of Europe, are extremely primitive. One can go along on an electrified railroad, traveling at the rate of 60 or 65 or even 70 miles an hour, through a beautiful farming country, and alongside the track he will see men and women cutting their wheat with a scythe or with an old-fashioned wheat cradle. Of course, the smallness of their farms makes it impossible for any individual farmer to invest enough money to buy modern machinery, and as a result, except where they have the great cooperative organizations, they cannot afford to invest in farm machinery. Instead of tractors one will see ox teams pulling plows and can even see wheat being threshed in the old-fashioned way which our grandfathers used.

Of course, we hope our agricultural tenancy will never become so low as to make it impossible for our farmers to invest in modern machinery, but the mere fact that the countries have become densely populated, that every acre of land must support more people, that every clod of dirt must be made to work as is done in the older countries of Europe, instead of allowing it to wash down the streams into the sea as we are doing in large sections of our country, brings about automatically the necessity for every man to devote himself almost without restriction to the cultivation of his little share of the earth's surface, and, of course, that itself robs him of many pleasures which we think fundamentally necessary in the enjoyment of life in the United States.

But the thing we ought to guard against in all our legislative program, it seems to me, is the coming of the day when

our farmers will have so to restrict themselves, not only in acreage but in methods of cultivation, that they cannot continue to progress and move forward as we have always been proud to feel that our agriculturists could do.

Mr. CONNALLY. I thank Senators for these contributions.

France is a good illustration of a very successful agricultural country. Probably there is a larger percentage of home ownership in France than in any other great country of Europe. Most of the farms, at least in the section of France which I have visited, are very small. In Brittany, up in the northern part of France, the fences are usually mud fences, with grass and other vegetation growing over them, and a farm contains only a few acres; but there are a great many fat cattle there, and all that sort of thing, and the people there make a living on only a few acres because of the intensive cultivation; and they are economical. They do not live as well as our farmers in America live. Referring to what the Senator said about plowing with oxen, and the tractor, they can raise oxen but they cannot raise tractors. The result is that they do not have to pay for tractors; they do not have to pay for gasoline.

Mr. BARKLEY. They also have the patience to use the oxen after they raise them.

Mr. CONNALLY. Yes.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from New York.

Mr. COPELAND. I can quite sympathize with the Senator in what he has said about the success of small farms in other countries. I have visited the Holy Land, and I have seen farmers there make a living off 2 acres of ground; but that cannot be done in the United States.

I am going to vote for this bill, but I have no delusions about it. I could give a farmer 20 acres of the best land I have in my farm, and build him a house, and give him a plow and a horse and a cow, and he might possibly get enough off those acres to keep his family from starvation; but he would have no cash to spend, and he would not have enough money to pay his taxes.

This bill is all right as an experiment, and I hope it may prove valuable; but I am not fooling myself a bit. I was born on a farm and brought up in the country. I know the conditions that surround American farmers. In my section of the country it is impossible to put a man on one of these small farms and have him succeed. It may be done elsewhere if he can specialize. If he can raise berries or eggs or vegetables, if he can specialize in something for which there is a local demand, he may make some money; but the ordinary, everyday farmer who is just hitting the line cannot make a living in my section of the world from 25 or 30 acres.

Mr. CONNALLY. Mr. President, of course, I am not familiar with farming in New York State. Farming is a hard life anywhere. There is no doubt of that. The returns compared to what is put into a farm are very small; but the fact that the conditions on the farm are already hard is no reason why we should not undertake to lessen their rigor if we can. I am sure the Senator from New York will agree that if a man is going to farm, he ought, if possible, to own the land that he is farming on, rather than be a liege tenant of some landlord.

Mr. COPELAND. I fully agree to that. I have already assured the Senator that I am going to vote for the bill.

Mr. CONNALLY. I thank the Senator.

Mr. COPELAND. But I am not deluding myself. I feel that this experiment is bound to end in heartaches and disappointments for most of those who take advantage of the provisions of the bill. There may be some who, by reason of favorable location, access to markets or to cooperatives, may make good; but I do not believe the millennium will dawn when this act takes effect.

Mr. CONNALLY. I have already suggested that no one need think that under this bill he is going to get rich, or be able to operate on the stock market. Of course not; but those who take advantage of its provisions are going to be better off than they are now. If by any hook or crook they

can acquire an interest, if it is only in 10 acres of land, they are better off than if they do not have 1 acre of land. They have a place to shelter them from the storm; they have a place where they cannot be run out by the sheriff; they cannot be ousted by the tax collector or ousted by the landlord.

Mr. President, I do not wish to consume the time of the Senate, but I do desire to impress upon Senators the necessity for increasing this initial appropriation over the \$10,000,000 figure set in the bill. I will say to the Senator from Idaho [Mr. BORAH], in answer to a question he asked awhile ago, that tenancy in Texas has increased from 37.6 percent in 1880 to 57 percent in 1935. I think probably those figures are fairly reflective of the trend in other Southern States. Tenants now operate 57 percent of all farms in Texas, 54 percent of all harvested cropland, 30 percent of all farm land, and the farms operated by tenants include 40 percent of the value of all Texas farms. The land operated by tenants, excluding the big farms, represents 40 percent of the entire value of all the farms in my State.

Along with the increase of tenancy has also come an increase in the percentage of mortgage indebtedness of those who actually own farms. They go hand in hand. Statistics reveal that farmers who operate their own land for an equity amount to only 33 percent of the value of all Texas farm land. From 1900 to 1930 the percent of owner-operated farms that were mortgaged increased from 22 to 40 percent. The deflations in values which occurred during the depression show how shadowy and uncertain is an equity in high-priced land covered by a mortgage.

Mr. President, my view of a plan for dealing with farm tenantry involves five points:

First. As is provided for in the bill of the Senator from Alabama, provide for the Government to acquire and sell to experienced and industrious farm tenants farms of sufficient acreage to support a family, but not of such size as to place too great a burden of debt upon the purchaser. In other words, none of these farms ought to be sold to a tenant until he can convince a local committee that he is already a successful tenant farmer, that he has had experience, that he is honest, and that he is frugal, because it will not do any good to put a man on one of these farms who either does not know how to farm or who is too lazy to farm. So we should select the very cream of the class of tenants who seek this aid.

Second. Of course, the plan must provide cheap credit and amortization over a sufficient period of years whereby the tenant may become the owner, and be able to meet his payments, as well as the support of his family, out of the land itself. That is a justification for the 3-percent interest rate. It is somewhat in the form of a slight subsidy, but the subsidy is justified because of the national interest in getting these men back on the farm and in building up the civic fabric.

Third. The plan should tie into other farm plans for the conservation and scientific cultivation of the soil. Every tenant who acquires one of these farms should be made to comply with soil-conservation plans, and to submit to leadership and direction in farm economics and in the diversification of his crops, and not except to make a living out of one isolated crop, such as cotton.

Mr. President, the fourth point perhaps will not meet with the favor of some Senators; but I believe that for a period of years a certain degree of supervision over the tenants may be desirable toward stimulating diversification and the scientific utilization of land resources.

Fifth. A cardinal feature should be making the farm a home and not a mere wagon yard; not a place to stop for the night and then move on to another home.

Mr. President, such a program envisions over a long period of years, a stabilized agriculture and a stabilized citizenship. As I have already suggested, Great Britain and Denmark and Ireland have made great advances in this field; and the United States can make advances if we give the matter attention and scientific study and experimentation.

The appropriation for the first year is inadequate. The amendment I have offered provides for an appropriation of \$50,000,000 for the first and succeeding years. The Government ought to lay out a plan for the expenditure over a period of years of a billion dollars. Now, do not gasp. That money will represent assets. It will not be wasted. The problem is too big, too gigantic, to be solved by piecemeal methods. It is an investment. The Government will own the assets which represent the money expended. Ultimately, we hope, it will be returned. Ultimately, the purchasers will become home owners. This is the great objective. That is the justification for this program. It is one of the most fundamental problems of America.

At the moment the United States is staggered by industrial and labor clashes. Here lies the pathway to economic and social security for those who till the soil of America. Here lies the pathway to a stabilized agriculture, and to a stiffening and toughening of the civic fiber of this Republic.

I hope very much that the Senate will adopt the amendment, which will give assurance to those who are interested in this program that we are serious about it, that we are not simply playing to their imagination in appropriating only \$10,000,000 for a program for a whole year all over the United States, but that we mean to go through and pledge \$50,000,000 each year, I hope for a period of at least 20 years, so that the people of this country may know that we are making a serious endeavor and an earnest effort to solve this very important and compelling problem.

During the delivery of Mr. CONNALLY's speech,

Mr. GEORGE. Mr. President—

Mr. CONNALLY. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I ask permission to insert in the body of the RECORD itself an editorial or article appearing in the *Lavonia Times*, a weekly newspaper published at Lavonia, Ga., entitled "Love Your Land—It's the Source of All Wealth." It is a worth-while editorial expression and not without some pertinency to the general question involved in the debate now proceeding.

I wish to thank the Senator from Texas for yielding to me, because I must leave the Senate Chamber in a moment, and I wish to take this occasion to register my position upon the pending bill.

I heartily favor the bill, although I recognize that the amount authorized for the first and second years is wholly inadequate to meet the demands that will be made against the fund. However, it is the beginning of an experiment, if it may be stated in that way, for the matter is hardly experimental. It is the beginning of the inspiration of many tenants to farm ownership.

I should like to take occasion, with the Senator's indulgence, to say that I do not regard the question of farm tenancy as fundamental. It is not fundamental; it is merely symptomatic; it is merely the result of a combination of circumstances, a combination of practices and policies. However, it is a stubborn fact, and a fact that ought to be considered by the Congress and one that ought to be remedied, so far as it is possible to remedy it. I congratulate the Senator from Alabama on having taken this initial step in that direction.

The PRESIDING OFFICER. Without objection, the editorial will be made a part of the RECORD.

The editorial referred to is as follows:

[From the *Lavonia (Ga.) Times* of June 25, 1937]

LOVE YOUR LAND—IT'S THE SOURCE OF ALL WEALTH

(By Stiles A. Martin, statistician, Georgia Department of Agriculture)

Land is the only permanent thing in the world. All other substance decomposes and returns to the land, thus enriching the soil, which produces the sustenance of all life. A piece of land an acre square today will be the same size a million years from now, while all else around it will return to dust.

Every living thing, whether it be man, animal, fowl, fish, tree, or grass, owes its life to land. Every substance on earth comes from the soil, whether it be a house built of lumber, brick, or stone, put together with nails, or mortar, and furnished with beds made of wood or metal.

Every object in every building in the world, whether it be Westminster Abbey in London, the Empire State Building in New York, or the State capitol in Atlanta, comes from the soil. Every brick, every stone, every piece of wood, or other material used in the construction of every building in every city in the world come from the land. All man-made structures are only collections of material from the soil.

The source of every flower, every piece of fabric, every sheaf of grain, every flash of electricity that lights our homes and drives our machinery, is traced to the soil. Every blade of grass that supports animal life that gives us the horse and the mule which are used to till the soil, and the dairy cow which supplies us with milk and butter, owes its life to the soil. Every bit of food consumed by the human race at every meal, comes from the soil.

Stone will crumble to dust, buildings will burn to ashes, seed time and harvest come in their season, one generation passes and another follows, and only land remains permanent.

If you do not own any land, acquire some and realize the feeling of security, independence, and contentment that comes when you own your own home and the land you cultivate. Then you will come to a full realization of what Sir Walter Scott meant when he said:

"Breathes there a man with soul so dead, who never to himself hath said, 'This is my own, my native land'?"

When you stand on your own land and gaze across your fields, remember you have the most valuable of all material things. The family with land needs never go hungry. The factory may shut down and business firms may fail and the pay roll may stop, but the man with land can always grow something to eat.

Land is nature's greatest gift to man. Land will support us, our children, and our children's children if we will protect and care for it.

Love of land and home ownership lend to stability and permanency of citizenship. No country rises in prosperity above the level of the standard set by its farmers. As the farmer prospers, so does the city. Let the farmer stop his plow and every citizen will be hungry in a few days and will starve to death if the farmer does not feed him.

William Jennings Bryan said: "Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms, and the grass will grow in the streets of every city in the country."

Emerson said: "The first farmer was the first man, and all historic nobility rests on possession and use of the land."

It was the land that saved the South following the War between the States. The same land that had run red with the blood of its soldiers, produced food when at the end of the conflict the Confederate soldier returned home.

It was the love of land that caused Scarlett in *Gone With the Wind* to offer to sacrifice her honor in order to raise money to save Tara, the family home, and the farm. It was the love of home and land that caused Olan, the wife and the mother in Pearl Buck's book, *The Good Earth*, to keep her husband from selling their land during the famine, even though her children were hungry.

The love of land is part of nature. Children prefer to go barefooted rather than wear shoes, so they may feel the farm earth ooze between their toes. Children at play, given a sand pile and a lot of toys, will turn from the toys to play in the sand and make mud pies.

The man who lives on the land starts no wars and generally lives at peace with his neighbor and the world, loves nature and reveres God, because he sees His handiwork in every blade of grass, every grain of corn, every calf, every colt; in every drop of rain, in every lightning flash, in the sun's rays by day and the moonbeams at night.

The man who tills the soil is usually a religious man and one who is interested in the welfare of his family, his school, his church, his community, his State, and his Nation.

Therefore if you own land, protect it from erosion and washing by terracing, by rotation of crops, and by keeping as much of the water as possible on the land that falls upon it. Muddy water contains soil.

Three kinds of land do not lose soil: Grassy pastures, grain fields, and woodland.

After the conclusion of Mr. CONNALLY'S speech,

#### SAFETY AT SEA

Mr. COPELAND. Mr. President, I desire to ask that the Senate proceed to the immediate consideration of House Joint Resolution 434. My reason for making the request that it be considered now is that the law to which this measure applies goes into effect today. It has to do with the installation of sprinklers upon ships, part of the safety at sea legislation.

The Department of Commerce has found it impossible to have the laws providing for the devices fully applied by this date. The joint resolution which has come from the House puts the effective date over to the first of October.

I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the joint resolution.

There being no objection, the joint resolution (H. J. Res. 434) to amend the act entitled "An act to amend section 4471 of the Revised Statutes of the United States, as amended", was considered, ordered to a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That the act entitled "An act to amend section 4471 of the Revised Statutes of the United States, as amended" (Public, No. 712, 74th Cong.), approved June 20, 1936, is amended by striking out "July 1, 1937" in the first line of the second paragraph thereof and inserting in lieu thereof "October 1, 1937".

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 172 will be indefinitely postponed.

Mr. COPELAND. Mr. President, the newspapers this morning carried the pleasing information that the chairman and members of the Maritime Commission have succeeded in adjusting the differences which existed between the Maritime Commission, or the Government, and the owners of the ships operating them under mail contracts. It seems to me that what has been accomplished is notable.

Mr. Kennedy, in his statement today, announced that the contracts, or a large number of them, have been canceled at an amazingly low figure. I am not so sure but the figure is too low. But, since it is in the interest of the Government, I assume there will be no objection to that.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. McKELLAR. I have not read the article the Senator is about to put in the RECORD, but will do so. I was wondering what figure had been obtained.

Mr. COPELAND. I am not seeking to put an article in the RECORD; I was using it as a reminder. But Mr. Kennedy telephoned me a few days ago that he had succeeded in bringing about the cancelation of the mail contracts for \$750,000.

Mr. McKELLAR. That is probably a very reasonable adjustment.

Mr. COPELAND. I would say it was more than reasonable.

Mr. McKELLAR. What is the extent of the subsidies the Government is to pay?

Mr. COPELAND. That is even more remarkable than the adjustment I have mentioned. At the various times when bills on this subject were before the Senate, we estimated the operating subsidies at from \$20,000,000 to \$25,000,000 annually. The mail contracts amounted to about \$20,000,000, but we estimated that the operating subsidies would be from \$20,000,000 to \$25,000,000. As a matter of fact, according to Mr. Kennedy's statement, during the 6 months' period beginning today and going forward until New Year's, all subsidy payments for the 22 services which have been agreed upon, will amount to only \$4,645,579, less than \$5,000,000.

Mr. McKELLAR. My recollection is that under the old system there were 41 shipping companies which received subsidies. The Senator says that now only 22 will receive subsidies. What has become of the others? Have they gone out of business?

Mr. COPELAND. No; as to them, there is still negotiation; but I may say to the Senator that I have here comparable figures showing that the subsidy will be slightly under \$5,000,000, as I have already indicated. The same ships received postal subsidies of \$7,570,908. So it will be seen that the operating subsidies provided under the new law are only about two-thirds as much as the old mail contracts.

Mr. McKELLAR. Assuming that the statement in the newspaper is correct—and I have no doubt it is—I wish to congratulate the new commission on their good work, and I hope they will continue to keep the subsidies within bounds. My belief is that it will be better for the Government, and better for the shipping companies themselves, if that is accomplished.

Mr. COPELAND. I share with the Senator the feeling he has about the commission. I think the commission is alert, and intelligent, and aggressive, and successful.

We must reserve judgment as to what this may ultimately do to the American merchant marine. I am not so enthusiastic about the future of the American merchant marine as I have been at times, for a reason which I am about to state. That was really the occasion for my asking for the floor.

There cannot be a successful American merchant marine without efficient crews. A good crew can operate a poor ship with much greater chance of success than a poor crew can operate a good ship.

Mr. President, we are having too much trouble on the sea. There are too many conflicting doctrines. There are too many major generals. There are too many groups representing opposing views. Unless there can be harmony in the labor groups upon the sea, it is my opinion that the American flag will disappear from the sea.

We have not had the harmony which we should have. Last year on the Pacific coast, by reason of what I regard as uncalled-for labor disputes, there was a loss to the shippers of a billion dollars. I do not know how much the ship operators lost, and perhaps it is not a matter of concern how much they may lose in the future, because under the subsidy law which is now on the statute books the losses will be made up, to a great extent.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. McKELLAR. I have sent for the act, but does the Senator recall whether or not a limitation was provided on the salaries of officials?

Mr. COPELAND. A limitation upon the salaries of the officials was provided, and a limitation so low that many of the companies will be deprived of the services of men who would advance the cause of American shipping if they were permitted to be so engaged. I think the limitation was a great mistake; but I am not now finding fault about that.

Mr. McKELLAR. As I recall, under an amendment offered by the Senator from Alabama [Mr. BLACK] a certain figure was fixed, and I believe that in the end it will greatly benefit the shipping companies, and I know it will be of benefit to the stockholders of the companies.

Mr. COPELAND. The Senator from Alabama is on the floor and can correct me if I am wrong, but I believe the limitation was finally fixed on \$25,000 although \$17,500 was first considered.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. O'MAHONEY. Does the act contain any provision protecting the rights of the stockholders in the various corporations that benefit from the Government subsidies?

Mr. COPELAND. There is a limitation placed—

Mr. O'MAHONEY. I know there is a limitation on the salaries. I remember that very well. But the Senator is very familiar with the fact that there is probably no line operating ships in the merchant marine which is not operating as a corporation under charter from some State; and the Senator knows that many, if not most, of the modern corporations which are engaged in anything which may be denominated "big business", are operated by insiders, without a great deal of concern or care for the interest of the stockholders. Does the Senator recall whether provision was made in the Merchant Marine Act for the protection of the stockholders?

Mr. COPELAND. Mr. President, there was reasonable provision made, and I hope provision for protection such as the Senator has in mind shall be made as to other corporations. I confess I have a great sympathy for what the Senator is attempting to do for the good of the country.

If I may now revert to the subject in mind, that is what I wish to say. The committee in formulating this act and the Congress in passing it had in mind all the time the upbuilding of an American merchant marine, placing emphasis upon the word "American." So the law which becomes effective this very day, the 1st day of July 1937, prescribes that "all licensed officers of vessels documented under the laws of the United States shall be citizens of the United States, native born or completely naturalized."

Mr. CONNALLY. Mr. President, will the Senator yield? Mr. COPELAND. I yield.

Mr. CONNALLY. Does not the Senator agree that that is good, sound policy?

Mr. COPELAND. Oh, yes; I surely do. That is the reason I am on my feet. I am here to brag about it a little bit. I think the policy is good, and I look forward to the time when every man employed upon the sea, sailing in a vessel under the American flag, shall be an American citizen.

We went very far in this law, however, much further than ever before. So far as cargo vessels are concerned which are subsidized under the new law, every single member of the crew, and by that I mean all the employees of the ship, shall be citizens of the United States, native born, or completely naturalized. Heretofore, there has never been any such requirement as that. On all the cargo ships every member of the crew must be an American citizen. This is the first time since 1812 that so proud a boast could be made.

We did not go quite so far with respect to the passenger ships. For a period of 1 year from the effective date—that is, for 1 year from today—80 percent of the crew of a passenger ship subsidized under the law must be American citizens. And the only place where there can be noncitizens is in the steward's department, which is the department having to do with the serving of food and service in the staterooms.

For this year in that department there may be noncitizens to the extent of 20 percent of the entire crew. Next year the number is to be 15 percent, and the following year 10 percent. I hope to see the time in the near future when every employee upon every ship shall be an American citizen.

Think what it would mean to American labor. We can make it possible for forty to sixty thousand jobs to be held by Americans. Loyalty to the flag and country is assured when good Americans are on guard.

The only reason we made any distinction in the case of the crew on passenger ships is that a great many passengers carried by American ships speak other languages—French or Spanish or Italian or German or Greek or some other language.

So it was thought that in the steward's department, in order that the transition might not be too sudden, for a period, this year and next year and the following year, there might be a limited number of noncitizens.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. VANDENBERG. Without wishing to divert the Senator from what he is saying, I should like to inquire if it would not be equally good if the officers of the maritime labor union should similarly be required to be American citizens.

Mr. COPELAND. Mr. President, I am familiar with suggestions made by the Senator from Michigan. I was particularly attracted by the proposal which he made to the effect that the leaders and agents of labor unions should be citizens of the United States. And why should they not be?

I do not presume to speak about other industries; the same thing must apply to them; but certainly, so far as the unions of men upon the seas are concerned, they ought to be under the domination and leadership of American citizens. I wish that were the case today. It is not the case today.

In my opinion, one of the reasons why we are having so much trouble upon the seas, so much trouble with the crews of American ships, is because the "big mogul" of the new and noisy seamen's union, at least on the west coast, is an alien. He has not thought enough about our country to become a citizen. Whether he is here legally or not I do not know, but I do know that on three separate occasions he has applied for citizenship and two of those applications were never carried through. As to the pending one I do

not know what will be done with it. But the fate of our ships and the fate of our crews and the fate of the American sailors—the fate of all those great maritime affairs which we hold dear—is in the hands of a man who does not care enough about the American flag to become a citizen, if he is entitled to become one.

If I had my way, he would not be in the United States, Mr. President. If he is subject to deportation—and I have my suspicions that he is—he should be deported. He should go back to the land whence he came and organize all the unions he wants to organize over there. Let him leave it to American citizens to determine about the crews of our ships and the control of the unions having to do with the regulation of the crews of our ships.

Mr. President, I have been somewhat diverted, but I wish to congratulate the Maritime Commission upon the good work it has done. I wish to congratulate the country that we appear now to be on the way to the development of an effective merchant marine. But at the same time I desire to warn the country that we will never have an effective American merchant marine until it is in every sense an American merchant marine. I want to see the time when every sailor upon the seas under the American flag is an American citizen. I want to see the time when he is in an organization made up of American citizens. I want to see the time certainly when the leaders of every one of these organizations of seamen shall be American citizens.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. CONNALLY. Let me ask the Senator, does he really feel, however, that under present circumstances the American merchant marine can successfully compete with foreign merchant vessels?

Mr. COPELAND. Mr. President, the American merchant marine cannot compete with foreign-flag ships without Federal aid. I say that because we expect labor on the seas to enjoy the same standard of living that labor has upon land. Many foreign ships pack their crews like sardines in quarters which are inhuman and indecent. They feed their crews with food that we would not want any American to look upon. If we are to have an American merchant marine, if it is worth our while for two reasons to have an American merchant marine—to carry the bulk of our cargo to and fro, and an American merchant marine to be an auxiliary to the Navy—we can do it only by Federal aid.

There are reasons, too, which go beyond the matter of a subsidy for operation which has to do with the crew. I refer to the building of the ships. It costs twice as much to build an American ship in an American shipyard as it does in a foreign shipyard. Why? Because labor is paid so much more here. Those who work with the steel and with the wood, those who work fabricating the machinery, those who take the iron out of the earth, those who take the coal from the earth to smelt the iron into steel, all these men are paid higher wages than are men similarly employed abroad. Naturally, all these items reflect themselves in the cost of building ships.

Mr. President, it is not alone the initial cost of the ship, which is twice as great as it is abroad. There is a continuance of expense, due to the additional cost of insurance upon the vessel, the interest upon the investment, and the increased sinking fund required. So, Mr. President, the law which we are lauding today provides not alone for an operating differential to make possible the operation of the ships under American standards of living, but also provides for subsidy from the Government for the additional cost of building.

I hope Senators will bear in mind all the time that a navy is of no use without auxiliary ships. I remember very well, when President Theodore Roosevelt sent the "White Fleet" around the world, how proud we were to see those great white vessels plowing the seas. But there was no particular pride in my heart when I found that we had to charter from foreign countries, mainly from England, the vessels to carry supplies to make possible the operation of that fleet. A navy made up alone of battleships and cruisers and other

fighting craft is of no value unless there is a merchant fleet to carry the supplies which must be had to make possible the operation of the fleet.

So, Mr. President, this second provision of the subsidy law is a wise one, I think, because it makes possible the building of ships which will serve as auxiliaries to the Navy. It is needless to refer to what a merchant fleet means to the farmers of the country.

On two or three occasions, by reason of difficulty abroad, for example, during the coal strike in England, and, going back of that to the Boer War, when the many merchant ships of England were employed in carrying products for the use of the British Empire, we had no ships. Then our grain and our fruits piled up on the docks on the Gulf of Mexico and on the west coast and in New York because there were no bottoms to carry our products abroad. It was only because we had the defective Shipping Board ships, which were built during the war, hastily and cheaply, and which were then in reserve, that made it at all possible for us to carry the supplies.

Mr. President, in closing, let me say that I think the Maritime Commission, headed by Mr. Kennedy, is rendering useful service. I hope the Department of Commerce will see to it that the provision of the law about Americans being employed in the crews will be carried out to the letter; that we may have, in every sense, an increasingly useful and valuable American merchant marine. When we have that, in my opinion, we will have materially advanced the welfare of our country and the prosperity of every State in our great Union.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER of Pennsylvania, Mr. DICKWEILER, Mr. TERRY, Mr. STARNES, Mr. COLLINS, Mr. CANNON of Missouri, Mr. POWERS, and Mr. ENGEL were appointed managers on the part of the House at the conference.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes;

S. 2620. An act to amend the Hawaiian Homes Commission Act, 1920;

S. 2621. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

S. 2622. An act to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes;

S. 2652. An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes;

S. 2653. An act to amend an act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935; and

H. R. 6635. An act to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes.

#### AMENDMENT OF CRIMINAL CODE FOR ALASKA

The PRESIDING OFFICER (Mr. PEPPER in the chair) laid before the Senate the amendment of the House of Repre-

sentatives to the bill (S. 2254) to amend section 460, chapter 44, title II, of the act entitled "An act to define and punish crimes in the District of Alaska and to provide a code of criminal procedure for said District", approved March 3, 1899, as amended, which was, on page 2, to strike out all of section 2 and insert:

SEC. 2. Nothing in this act shall abrogate, limit, or curtail the powers granted the Territorial Legislature of Alaska to impose taxes or licenses, nor limit or curtail any powers granted to the Territorial Legislature of Alaska by the act of Congress approved August 24, 1912, entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative powers thereon, and for other purposes", or by any other act of Congress.

Mr. MURRAY. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States, and for other purposes.

Mr. O'MAHONEY. Mr. President, I send to the desk an amendment which I should like to offer to the measure pending before the Senate.

The PRESIDING OFFICER. The Chair will state that there is an amendment now pending and undisposed of.

Mr. O'MAHONEY. Then, I give notice that, when the pending amendment shall have been disposed of, I will call attention to the amendment intended to be proposed by me.

Mr. BANKHEAD. Mr. President, before a vote is taken on the amendment offered by the Senator from Texas [Mr. CONNALLY], by which he seeks to increase the appropriation for the first year to \$50,000,000, I should like to make a statement. The Members of the Senate who were present when I discussed the bill earlier in the day understand that I should like to have \$50,000,000 for the purposes of the bill, but such an amount of money appears to be inconsistent with the President's financial policy at this time. In that connection, I stated that I had made an agreement with him that we would start with \$10,000,000 this year. I stated earlier in my remarks, and I repeat, that I had no authority to bind anybody but myself, but I was speaking in the interest of the passage of long-delayed legislation on this subject, and in the hope that we would be able to get some measure embodying legislation of this character on the statute books. So I hope that the arrangement which has been made and publicized and upon which the House of Representatives has acted will be carried out.

The House passed a bill in line with this understanding, and changed the appropriation to \$10,000,000. It doubtless would not yield, in view of the statements I have made to the Senate, and, while most of us would like to have more money the first year, it is possible that increasing the authorization might jeopardize the final passage of the bill. I am not sure that the reduction in the long run may not be wholesome and helpful in working out a program to be put in operation and which, if successful, may be in continuance for from 50 to 100 years. I think precipitous haste may be injurious.

So I am going to ask the friends of the measure to vote down the pending amendment, and let the authorization for the next year stand at \$10,000,000. I recognize the interest of the Senator from Texas. His heart beats strong for the under dogs in agriculture; he made a fine statement in support of the philosophy of the bill; and it is with great reluctance that I oppose anything that he offers here, especially when personally I should like to have done the very thing which he desires.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wyoming?

Mr. BANKHEAD. I yield.

Mr. O'MAHONEY. In connection with the discussion which is now proceeding on the amendment offered by the Senator from Texas, I should like to invite the attention of the Senator from Alabama to language of the bill appearing on page 21, paragraph (h) on line 22. It seems to me that this is rather an extraordinary provision.

Mr. BANKHEAD. It has nothing to do with the amount to be appropriated.

Mr. O'MAHONEY. Let me read the provision to the Senator, and I think he will agree that it has a great deal to do with the amount. It reads as follows:

(h) Shall determine the character and necessity for its expenditures under this act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government.

It strikes me, Mr. President, that a broad provision of that kind should give pause to every person who is considering increasing the appropriations to be made available for such a corporation as is proposed to be created. May I ask the Senator from Alabama if the Committee on Agriculture and Forestry gave any special consideration to that provision?

Mr. BANKHEAD. No; and I will ask the Senator if he gave any consideration when he voted for it in voting for the crop-insurance law?

Mr. O'MAHONEY. I did not see it in the bill at that time.

Mr. BANKHEAD. I am informed it was there.

Mr. O'MAHONEY. At the proper time I shall move to strike out all of that paragraph following the word "act" in line 23 on page 21.

Mr. BANKHEAD. I do not see that that has anything to do with the matter involved in the amendment of the Senator from Texas.

Mr. CONNALLY. Mr. President, I want to say just a word in reply to the Senator from Alabama. I regret that the Senator from Alabama feels the necessity of having to quote on the floor of the Senate the wishes and desires of the President of the United States with regard to this particular legislation. No man in this Chamber has higher respect for the views and wishes of the President of the United States than I, but I think it is a bad practice for Senators, when they want to bolster up some argument, to drag out a letter or quote some verbal statement of the President of the United States in regard to pending legislation.

This is the Senate of the United States, and it is our duty to legislate. We all know how powerful any President is. We all know how powerful the present President is. The President can veto this bill if he does not like it. He can send here a message when he submits legislation, if he desires. But I do not think it is fair and I do not think it is good sportsmanship for Senators to turn the scale on these measures by quoting a private conversation with the President of the United States and saying, "Do not vote for this. The President does not want it. He told me so, and I promised I would not put it in the bill."

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BANKHEAD. It was an authorized statement and not a private one. The President authorized me to give the statement to the newspapers, and it was published in the newspapers as coming from the President.

Mr. CONNALLY. I do not care whether it was authorized or unauthorized.

Mr. President, I know that the President of the United States is in sympathy with the agricultural interests of the Nation. I know he is in sympathy with the laboring people of the Nation. But in this Chamber I have to vote my own views on these questions. I think I know something about the tenant farmer of America. I think I know something about the hardships he endures. I was raised among tenant farmers. My playmates were the children of tenant farmers. My schoolmates were the sons and daughters of tenant

farmers. I know all about them. If there is one class of people in the United States that needs, not charity, not the dole, not hand-outs, not subsidies, but the opportunity to work out their own salvation on the soil, it is the tenant farmers of America.

We have here a bill relating to the tenant farmer. We have told him we are going to do something for him. We are going to buy a home for him. How much does the bill provide for that purpose? It provides \$10,000,000 for the entire United States—only \$10,000,000. Mr. President, that is nothing for a project of this kind. It is just a gesture, and not a good gesture at that. It is not a substantial gesture. It is just sort of a little wave at the tenant farmer, and he is gone. It is not even a glint in the eye.

I hope the Senate will vote for the \$50,000,000 amendment. Let us start on this program in the proper way. Ten million dollars is proposed to be provided for the first year's operation. Three hundred million dollars was spent for the resettlement program, but they did not settle anything. They did not even settle their own accounts. They wasted a great deal of money. It was wasted in my State. The program was along the same line, but under an entirely different policy.

This bill provides for the selection of industrious, successful farmers and for putting them on the land and letting them work out their own salvation. We appropriated \$300,000,000 for resettlement but propose to appropriate only \$10,000,000 for a substantial, sound program looking to the future. We need this more now than we will need it next year. We need this more now than we will need it 2 years from now or 3 years from now or 5 years from now. We need it worse in the beginning of the program to take some of these people now on the W. P. A. and relief rolls and put them on these farms and give them some opportunity and some ambition and some hope.

We appropriated \$1,500,000,000 for so-called relief, free relief, imaginary relief, temporary relief, work relief, so-called, but we propose to appropriate only \$10,000,000 for the tenant farmers of America to rebuild the civic structure of this Nation and provide homes in which a man, when he goes home at night, does not have to worry about the landlord knocking on the door tomorrow morning and demanding his rent, when he goes home at night can feel he is anchored in the soil and that his children may grow up with satisfaction that they are sheltered by the roof of their own parents rather than getting a free bed in some free tourist establishment here in the city of Washington or in some other metropolitan territory.

The Senator from Alabama in his final argument undertook to execute the coupe de grace. However, the amendment is sound and ought to be adopted. I do not propose to abandon it. Last year the Senator from Alabama wanted \$1,000,000,000, and defended his request for that amount and said it was sound. What a marvelous shrinkage in the Senator's financial vision has taken place within a year. A billion dollars then and now only \$10,000,000! What percentage is that? I ask the former Secretary of the Treasury, who knows all about figures.

Mr. MCADOO. It is 1 percent.

Mr. CONNALLY. One percent. I thank the Senator from California. The amendment ought to be adopted, and I hope the Senate will adopt it.

Mr. GUFFEY. Mr. President, we have heard the junior Senator from Texas [Mr. CONNALLY] discuss the question of farm tenancy in Texas, and I know from the smiles that spread over the faces of some of his colleagues that they doubted if he was familiar with the subject. In the meantime I have sent to the Congressional Library, and have secured a copy of a bulletin of the University of Texas entitled "Studies in Farm Tenancy in Texas", from which I desire to read some extracts into the Record:

Prof. Franklin H. Giddings, of Columbia University, who is recognized as one of the world's greatest authorities in social and economic studies, has put into one of his books the following paragraph:

"Whenever a commonwealth, whose people are impoverished and burdened with mortgages and other debts, is observed to appeal continually to its government to enact laws of a socialistic nature, or to undertake industrial and commercial enterprises for

the benefit of a suffering population, the first inquiry made should ascertain whether that commonwealth is not really suffering from sociological poverty—from a certain incapacity or lack of enterprise to organize those varied forms of voluntary association by which, in other communities, great economic activities are successfully maintained."

In the opinion of the present writer, Texas is suffering from sociological poverty. The foregoing paragraph contains the keynote of most of the difficulties which we, as a State, face today. In the following pages we have discussed many of the problems pertaining to tenancy and tenant life. But the tenant as a class cannot be set off from the rest of our citizenship and discussed without reference to other classes and to many other problems besides that which is commonly known as the tenant question. In other words, whatever may be said in the following pages concerning tenant conditions, it must be remembered that the writers believe that all citizens of the State must assume their share of responsibility for any deplorable conditions which may be found. The tenant has his shortcomings. So has the commercial man, the professional man, and the landowner. But the tenant as a class has less chance to assist in that voluntary association work which has meant so much to other sections of the country. The man with something accumulated, and with that something constantly adding perspective to his view, must assume his greater responsibility.

To what is our sociological poverty due? In other words, why have we as a people and as a State permitted any problem to rise to the proportions of the tenant question? There are many reasons. They may be enumerated here, but we shall take little time to discuss them at this point. In the first place, we have always had in Texas such an abundance of land and natural resources that they have possessed small value and have been given little consideration. In time past only the minority comprehended the relation between industrial development and the rise in the value of land, and this minority took advantage of the opportunity and succeeded in obtaining large holdings. The wisdom of their actions has been justified. In the second place, the conquest of Nature has been carried forward with great rapidity. The stream of immigration has flowed constantly in and constantly toward that section of the State where farming promised most for the least effort. The rise in the value of land has been greatest in this section.

The tenant question is now most pressing where originally farming could be started with the least immediate expenditure of labor and capital. To make a living in Texas or in most of the South has been easier than elsewhere, but easy living conditions are not conducive to strong or united social action. Ability to make a comfortable existence on a piece of land of sufficient size to keep the tiller of the soil isolated from the neighbors, has kept out all evidence of need for social unity and social action. This has been supplemented by a lack of common school facilities and of compulsory education for those who thought the farmer could farm without education.

The problems of industry confronting us today have not grown slowly. The rapid industrial development has rather thrust them upon the people. It takes time to acquire sociological wealth—more time than has elapsed since our industrial development began—and hence our people are unprepared to meet the large and bewildering problems which suddenly confront us. Every tide of home seekers coming into the State from other sections and other countries tends to keep us from that wealth because the newcomers must be assimilated by the social body. One of the great draw-backs to cooperative action has been the newness of the country and the fact that sufficient time has not elapsed to permit the growing up of stable community life.

It would be possible to take the voting population of the greater number of our counties and show what is meant by the foregoing comments on social life. As an example, we have taken the voters of Brown County and have grouped them by ages, so that the first table below shows the number of farm voters in each age group. In the second table we have shown by certain groups, of so many years' duration, how long these voters have been in the State and in the county. These tables give a fair idea of the movement of population in this State. In 1910 Brown County had a 42 percent of tenancy in its farm population. The table shows that there were in 1913, 23 voters of more than 60 years of age, but only four men had been in the State that long and none had been in the county that long. The greatest number of voters in any age group was between the ages of 30 and 35; the number being 354. But there are in the county 376 men who have been in the State that long. However, only 224 have been in the county that long. Further study of these tables will bring out other facts of a similar nature.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. GUFFEY. I yield.

Mr. CONNALLY. Would the Senator mind, in the course of his remarks, pointing out the relative economic status of the coal miner and the tenant farmer, as to which one received the larger return and had the more comfortable life?

Mr. GUFFEY. I shall have an article on the coal miner here in a minute. I will take up that subject later.

The above figures are illustrated in various ways, either in whole or in part, by our various maps and charts, but attention is

called here to figure I, which shows the population of Texas born in the United States and the rural and urban population born in the State and in other States.

Closely connected with the movement of population in our own State and in many other States has been the increase or decrease in the number of farm tenants. For the purpose of making a comparison between Texas and several other Southern States and States from different sections of the country, we give the following table concerning farm tenants, the increase or decrease being represented by percentage instead of numbers.

*Growth of tenancy in the United States*

	1880	1890	1900	1910
United States.....	25.6	28.4	35.3	37.0
Mississippi.....	43.8	52.8	62.4	66.1
Georgia.....	44.9	53.6	59.9	65.6
South Carolina.....	50.3	55.3	61.1	63.0
Alabama.....	45.8	48.6	57.5	60.2
Louisiana.....	35.2	44.4	58.0	55.3
Oklahoma.....			43.8	54.8
Texas.....	37.6	41.9	49.7	52.6
Iowa.....	23.8	28.1	34.9	37.8
Kentucky.....	26.5	25.0	32.8	33.9
Indiana.....	23.7	25.4	28.6	30.0
Missouri.....	27.3	26.8	30.5	29.9
Virginia.....	20.5	26.9	30.7	28.5
New York.....	16.5	20.2	23.9	20.8

The movement of population and the increase in the number of people per unit of area in Texas may be very closely followed by taking note of the time of organization of the different counties in the State. While almost anyone can tell where the older counties of the State are located and where the newer counties are to be found, very few people, perhaps, have in mind the general development as it is brought out in figure II.

As may be seen, the older section of the State is the small portion of the southeast part. Bexar County stands alone on the west side. There is a complete tier of counties between it and other original counties on the east. On the north, Shelby County marks the limit except for Fannin and Red River, which stand alone like two frontier sentries on the extreme north of the State. The counties which were organized between 1836 and 1840 may be easily distinguished on the map.

During the next decade 1840-50, the most of the counties in the northeast corner of the State were organized. There was also a block of a half-dozen organized around Bexar County and four in the southern point of the State. Of 25 of our leading cotton counties now, only two-thirds were organized before the year 1850.

Between the years 1850 and 1860 there was a solid block at the center of the State which extended both to the north and the south. Ellis, Johnson, Hill, Bosque, McLellan, Falls, Bell, Coryell, Hamilton, Tarrant, Parker, Palo Pinto, Jack, Wise, Montague, and others in the southwest were all organized during this decade.

Perhaps not more than five counties were organized between 1860 and 1870, but in 1870 more than a half-dozen of the smaller counties of the northeast corner of the State were ready for organization and on the west between 1870 and 1880 there was organization from Clay and Baylor on the north to the south and west as far as the Rio Grande, and three counties in the El Paso country.

With the exception of Wheeler and Tom Green Counties, all of the Plains and Panhandle country north of San Angelo has been organized since 1880. The greater part of it has been organized into counties since 1890. The work of organization is still going on.

A study of the map will show the settling up and filling in of the State. It does not show our population as it now exists. Figure III shows the density of population in 1910. The map which we are now discussing shows the speed and direction of movement of the people in order to settle the State as it is peopled now. It is not to be understood that the people who lived in the southeastern section of the State, sent their children into the center of the State and their grandchildren into the western part. This may be true in a large degree, but the tide of immigration which has swept in from the older States has been largely responsible for this later development in the central and western portions.

The important point, in connection with our brief study of development, is that the great agricultural and industrial problems of present-day Texas are to be found in a section of the State which was organized 5 or 10 years after Texas entered the Union.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. GUFFEY. I yield to the Senator from Montana.

Mr. WHEELER. Am I to understand that the Senator is now filibustering against the railroad bill?

Mr. GUFFEY. The Senator is not filibustering. He is just reading into the RECORD some interesting data on farm tenancy in Texas, to prove the position which the junior Senator from Texas argued in his brilliant speech a few minutes ago.

Mr. WHEELER. I thought probably the Senator was filibustering against the railroad bill which is coming up in a few minutes.

Mr. GUFFEY. No, Mr. President.

Mr. WHEELER. I could not understand why the Senator was reading the figures he is reading, because they certainly are not interesting to anybody, unless it be to the Senator himself.

Mr. GUFFEY. If we listened only to interesting things in the Senate, we should hear very little talking here. [Laughter.]

Taking the 37 counties of the State which had in 1910 a tenancy in excess of 59 percent, we find the following with regard to the dates of their organization:

Six were organized between 1836 and 1839, inclusive.  
Three were organized between 1840 and 1844, inclusive.  
Thirteen were organized between 1845 and 1849, inclusive.  
Six were organized between 1850 and 1854, inclusive.  
One was organized between 1855 and 1859, inclusive.  
Three were organized between 1870 and 1874, inclusive.  
Three were organized between 1880 and 1884, inclusive.  
One was organized between 1885 and 1889, inclusive.  
One was organized between 1890 and 1894, inclusive.  
These 37 counties include all the greatest cotton counties of the State. Twenty-two were organized before 1850 and fifteen of them since.

Mr. DAVIS. Mr. President—

The PRESIDING OFFICER (Mr. HERRING in the chair). Does the Senator from Pennsylvania yield to his colleague?

Mr. GUFFEY. I yield.

Mr. DAVIS. Is the Senator familiar with the 1935 statistics, which show that 17.7 percent of the farmers in Pennsylvania were tenants?

Mr. ROBINSON. Mr. President, we cannot hear what is going on. What is the arrangement being effected between the two Senators from Pennsylvania? [Laughter.]

Mr. DAVIS. I was giving my colleague some information on the number of tenant farmers in the State of Pennsylvania.

Mr. ROBINSON. What is there confidential about it? Why should not other Senators have the information?

Mr. GUFFEY. It was a very low percentage, I was very glad to learn.

Mr. DAVIS. There is nothing on this subject I would hold in confidence from the distinguished and able majority leader, the senior Senator from Arkansas.

Mr. GUFFEY. Mr. President, in conclusion I wish to say that I strongly approve the amendment offered by the Senator from Wyoming, seconded by the Senator from Texas.

Mr. CONNALLY. I thank the Senator for his support.

Mr. DAVIS. Mr. President, I should like to have the amendment stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Texas to the amendment of the committee.

The LEGISLATIVE CLERK. It is proposed, on page 31, lines 9 and 10, to strike out "\$10,000,000" and to insert "\$50,000,000", and in line 12 to strike out "\$25,000,000" and insert "\$50,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

#### NO RESTRAINT ON EXPENDITURES

Mr. O'MAHONEY. Mr. President, a few moments ago I interrupted the Senator to call attention to the provisions of the bill which appear on pages 21 and 22. The bill creates a corporation to administer the functions created by the measure. In paragraph (h) it is provided that the corporation—

(h) Shall determine the character and necessity for its expenditures under this act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government.

Mr. President, it seems to me this provision could scarcely have had any lengthy consideration at the hands of the Committee on Agriculture and Forestry. The Senate has just

voted down an amendment which would have increased the capital stock of the corporation by \$10,000,000, and which would have increased the authorization for the first year from \$25,000,000 to \$35,000,000. But as the bill now stands it places in the hands of the proposed corporation \$25,000,000 of public funds from the Treasury of the United States and gives to the corporation complete freedom from every act which has ever been passed to control the expenditure of public funds. There is talk about deficits, about taxes, about balancing the Budget; yet we are asked to pass on to a corporation complete unlimited power to spend all the money Congress may appropriate without any responsibility under the general law.

Mr. President, if a proposal of that kind had been made when this Government was established the man who made it would have been deemed insane; but now, apparently without a thought, it is proposed that we turn over to the corporation now about to be created this large sum of money to be spent without any let or hindrance.

The importance of what we are doing should become apparent when we read another provision of the bill. On page 19, section 5, provides that—

The management of the corporation shall be vested in a board of directors (hereinafter in this act called the board) subject to the general supervision of the Secretary of Agriculture.

We are asked to create a board of directors and to make that board subject to the general supervision of the Secretary of Agriculture, "hereinafter in this act called the Secretary."

Observe this language:

The board shall consist of three persons employed in the Department of Agriculture, who shall be appointed by and hold office at the pleasure of the Secretary.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ADAMS. I was wondering if the Senator had been analyzing the powers of this corporation, made up of three employees of the Secretary of Agriculture, he would look at subdivision (i), at the top of page 22, and see if he could define the powers given under that section, which provides that the corporation "shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the corporation." This is the part to which I direct the Senator's special attention:

And all of such incidental powers as are customary in corporations generally.

I am wondering what powers are "customary in corporations generally."

Mr. O'MAHONEY. The Senator is aware of the fact that he has put his finger upon one of the chief evils of our modern economic systems. Corporations are being created in numerous States, notably the State of Delaware, with absolutely unlimited power, and we have come to feel that the exercise of these powers is a sort of a divine right in a corporation. When three men gather together in a room and call themselves a corporation, they may do a multitude of things which no one of them in his natural capacity would think of being able to do. The law would prevent any natural person from exercising any part of the power which is conveyed to corporations under just such a phrase as that to which the Senator has called attention.

The corporate device is a device whereby a certain amount of public power can be exercised by private individuals. I am not referring solely to those provisions of the proposed legislation which refer to the character of the corporation proposed to be set up by this bill. I am wholly in favor of the plan to provide relief for farm tenants. I think it is absolutely essential that we should find a method whereby to establish the rural population of the United States upon the land upon a self-sufficient basis. But are we going to do that by turning the powers of Congress over to a corporation directed by three individuals, selected by the Secretary of Agriculture at his pleasure, to serve for such a term as he may decide—persons for whom absolutely no qualifications are set down in this bill?

The Senator from Colorado [Mr. ADAMS] has referred to the incidental powers that are customary in corporations generally. Those of us who have given any study to the corporation problem know that as a matter of fact hundreds of corporations have been created in this country by private interests—for private purposes, it is true—in which stenographers and office boys were made directors. I see the junior Senator from Missouri [Mr. TRUMAN] on the floor, and I am reminded of the statement which he made here only a few weeks ago in respect to the manner in which the Van Sweringen corporations were created. What is attempted to be done by this bill is the same sort of device that has been used by the exploiters of high finance, and we are adopting it for a public purpose. Is there any necessity for such a provision? Is there any reason for such a provision? Why should the Congress of the United States, in establishing a system designed to be helpful to the rural population of the United States, create a corporation of unlimited power, to be governed by a board of directors selected by the Secretary of Agriculture and to serve at the will of the Secretary? What Secretary of Agriculture? It may be one today and another tomorrow. We are legislating here not for today or this week or for this month. We hope we are undertaking to pass a permanent law, one that will be permanently beneficial to the people of the United States.

I do not believe that the rural population of this country desire to have their farms handled by a corporation created in this loose manner, a corporation the powers of which and the duties of which are so casually defined.

Let me call attention to another provision, bearing in mind that the members of the board of directors are to be appointed by the Secretary of Agriculture. It makes no difference what our ideas may be; he may select any person in the employ of the Department of Agriculture to fill these places.

Observe section 7 (a). We have created a board of directors. We have conveyed to that board of directors, we think, the power to govern the corporation. Subparagraph (e) of section 6 provides that this board may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which the work may be carried on. But observe section 7 (a):

#### CIVIL-SERVICE LAWS ABROGATED

The Secretary of Agriculture may appoint such officers and employees, subject to the provisions of the Classification Act of 1923, and acts amendatory thereof, and such attorneys and experts as may be necessary for the purposes of this act.

We have created a board of directors to govern the corporation, and then we turn over to the Secretary of Agriculture the power to select the employees of the corporation. But that is not all.

The Secretary may make such appointment without regard to the civil-service laws or regulations.

We not only repeal all the laws that govern the expenditure of public funds for the benefit of this corporation, to be governed by a board of directors of three persons, selected without stated qualifications by the Secretary of Agriculture, but now we give to the Secretary of Agriculture the power to appoint all of the employees without regard to the civil-service laws.

I read further:

The board shall define the authority and duties of the officers and employees of the corporation, delegate to them such of the powers vested in the corporation as it may determine, and require bonds of such of them as it may designate and fix the penalties and pay the premiums of such bonds.

Mr. President, it seems to me impossible that the provision to which I have just referred could have been given any real consideration by the Committee on Agriculture and Forestry; and I should personally hesitate to see a bill of this magnitude passed without serious consideration by this body.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SCHWELLENBACH. Will the Senator state just what is his specific objection to requiring bonds of the employees of the corporation?

Mr. O'MAHONEY. Ah, but the Senator misunderstands me. I made no reference whatsoever to the requirement of bonds. That is one of the few good provisions to be found in the portion of this measure dealing with the character of the proposed corporation. I was pointing out the fact that the Secretary of Agriculture may appoint such officers and employees, subject to the provisions of the Classification Act, and attorneys and experts, as may be necessary, and that these appointments may be made without regard to the civil-service laws and regulations. I was not making any allusion whatever to the provision governing bonds.

#### FREE USE OF THE MAILS

There is another provision in the measure to which it seems to me attention should be directed. It appears on page 21, in line 13, subparagraph (f). This corporation, now created with unlimited power, to be governed sometimes by a board appointed by the Secretary, without qualifications; this corporation, which is to be free from every law designed to place a restriction upon the expenditure of public funds; this corporation, which is now being released from the civil-service law, is being given another privilege. It—

Shall be entitled to the free use of the United States mails in the same manner as other executive agencies of the Government.

I am sure no Member of this body and no Member of the House—certainly no member of the Committee on Appropriations and no member of the Committee on Post Offices and Post Roads—is without knowledge of the fact that the mails are simply loaded down with unnecessary publications that are never read and which never should be printed.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HATCH. Is the Senator referring to speeches by Members of Congress? [Laughter.]

Mr. O'MAHONEY. I am not referring to speeches. I am not referring to discussions of legislative problems. It would probably be a blessing to the country at large if the debates in the Senate and House were circulated more voluminously and were more widely read than they are. I am referring to the material which is printed in the departments, and which is never used, and which can serve no useful purpose.

Mr. ADAMS. Mr. President—

Mr. O'MAHONEY. I yield to the Senator from Colorado.

Mr. ADAMS. May I call the Senator's attention to another paragraph? His amendment deals with paragraph (h) on page 21, where the board is allowed to determine the character and necessity for its expenditures without regard to the provisions of any other law. At the top of page 23, paragraph (c), I find that the Secretary of Agriculture may take away from the corporation all of its funds and allot them to other bureaus within the Department.

Mr. O'MAHONEY. I thank the Senator for calling attention to that paragraph. This is the way that very interesting provision reads:

The Secretary may allot to bureaus and offices of the Department of Agriculture, as he may direct, to assist in carrying out this act, any funds made available pursuant to this act.

In other words, though the Committees on Appropriations of the Senate and the House may decide that certain funds are necessary for the purposes of this corporation, and though the directors of the corporation might feel that the funds were necessary for the purposes of the corporation, yet the Secretary of Agriculture is given authority to take away that money without the consent of Congress. Does the Senator so understand it?

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HATCH. I think perhaps that is the wrong interpretation of that paragraph. That paragraph contains the phrase "to assist in carrying out this act", which clearly means, to my mind, that if the Secretary of Agriculture takes any funds from this corporation it must be for the purpose

of carrying out the provisions of this act. He cannot allot those funds to some other bureau for some other purpose.

Mr. O'MAHONEY. But who will determine whether the activities of such a bureau are necessary in carrying out the provisions of this act?

Mr. HATCH. Under the provisions of the bill itself the Secretary of Agriculture would determine that point.

Mr. O'MAHONEY. I have no doubt the Senator is correct that it is intended by this provision to give the Secretary the authority to switch funds for the general purposes of the act; but the circumstance to which the Senator from Colorado [Mr. ADAMS] alluded and the circumstance which I am discussing is that the Secretary has the power to switch these funds, even though for that purpose, without regard to the desires of Congress which passes the appropriation bill.

Mr. ADAMS. I add the additional suggestion that the Senator will find in section 4 (a), on page 19, that these funds are given to the corporation in exchange for the issuance of corporate stock so they become a corporate fund.

Mr. O'MAHONEY. The Senator is referring now only to the capital stock?

Mr. ADAMS. Yes; I am dealing with the first \$10,000,000.

Mr. O'MAHONEY. That is the capital stock, and I suppose it could be used solely for capital-stock purposes, though there is no limitation. On page 31 of the bill the Senator will find an authorization for an appropriation of \$25,000,000 for the fiscal year over and above the capital stock, and that is the fund which, under the provisions to which the Senator alluded, the Secretary of Agriculture could switch around as he pleased.

Mr. BANKHEAD. Mr. President, that is the authorization for the second year for capital-stock purposes.

Mr. O'MAHONEY. I misunderstood it then. Then there is authorized \$50,000,000 for the next calendar year.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. VANDENBERG. I should like to call the Senator's attention to another amazing section of the bill, but it relates directly to the amendment which he has submitted. His amendment, as I understand, is directed particularly to the unlimited power of the corporation to incur its own bills, pass on them, pay them, audit them, and finish everything.

Mr. O'MAHONEY. They may spend the money as they please.

Mr. VANDENBERG. I invite the Senator's attention to the fact that finally there is one post audit. I am referring to subsection (c) beginning at the bottom of page 23. The Comptroller General finally gets a chance to go over the transaction after everything has been completed beyond recall. I invite the Senator's particular attention to the provision at the top of page 24. We are so tender of this corporation that the Comptroller General is not permitted to report to Congress what he has found until he has sent his report to the corporation to find out what it thinks about it.

Mr. BANKHEAD. Mr. President, I suppose the Senator from Michigan understands that that came out of developments in connection with T. V. A. where thoroughly unjustified criticisms were made without giving T. V. A. any opportunity to make an explanation. In a subsequent bill the same provision was inserted by the able Senator from Nebraska [Mr. NORRIS].

Mr. VANDENBERG. The fact remains that I fail to understand how we can have an independent Comptroller General exercising his authority the way Congress intended it to be exercised if he cannot even submit his report to Congress until he has had a private conference with the bureau which he proposes to criticize.

Mr. O'MAHONEY. That deals with the subject matter which has been under consideration by the special joint

committee of the two Houses on reorganization of the Federal Government. A great deal of attention has been devoted to the necessity and the desirability of audits of Government expenditures and whether or not they should be post audits or audits made before the expenditures are made.

Mr. ROBINSON. Mr. President, it is my purpose to move an executive session at an opportune time, and then to move a recess until tomorrow. Will the Senator from Wyoming yield for that purpose at this time?

Mr. O'MAHONEY. I yield.

#### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

Mr. HARRISON. Mr. President, among the nominations in the messages just laid before the Senate are several experts and attorneys in the Social Security Board. There is some question as to where those nominations should be referred.

It is my opinion, because the social security bill was considered by the Finance Committee, that that would be the appropriate committee to which the reference should be made. I understand that the chairman of the Committee on Appropriations contends that because the provision of law which brought these nominations here was included in an appropriation bill and was written into an appropriation act, the nominations should go to that committee. I think they ought to be referred to the Finance Committee. However, I am going to leave the reference entirely in the hands of the Chair and make no motion to that effect.

Mr. McKELLAR. Mr. President, the Senator from Virginia [Mr. GLASS], the chairman of the Appropriations Committee, is not present. It will be recalled that nominations of the administrators for W. P. A., and I believe for P. W. A., were referred to the Committee on Appropriations. The Senator from Virginia feels that these nominations in like manner should be referred to that committee. I hope they may be so referred, though I do not know what the correct parliamentary procedure may be.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Tennessee, that the nominations be referred to the Committee on Appropriations.

The motion was agreed to.

#### REPORTS OF COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As chairman of the Committee on Foreign Relations, the Chair reports back favorably from that committee the following nominations:

Hugh R. Wilson, of Illinois, to be an Assistant Secretary of State;

William H. Hornibrook, of Utah, formerly Envoy Extraordinary and Minister Plenipotentiary to Iran (Persia) and Afghanistan, to be Envoy Extraordinary and Minister Plenipotentiary to Costa Rica; and

Miss Margaret M. Hanna, of Kansas, to be a Foreign Service officer of class 5, a consul, and a secretary in the Diplomatic Service.

#### ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY TO COSTA RICA

Mr. ROBINSON. Mr. President, there is occasion for the prompt consideration of the nomination of Mr. Hornibrook to be minister to Costa Rica. The Committee on Foreign Relations, through its chairman, has reported the nomination. I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and, without objection, the nomination is confirmed.

Mr. ROBINSON. I ask unanimous consent that the President be notified of the confirmation of Mr. Hornibrook's nomination.

The PRESIDENT pro tempore. Without objection, the President will be notified.

If there be no further reports of committees, the Executive Calendar is in order.

#### CIVILIAN CONSERVATION CORPS—ROBERT FECHNER

The legislative clerk read the nomination of Robert Fechner, of Massachusetts, to be director of the Civilian Conservation Corps.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

#### RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until tomorrow, Friday, July 2, 1937, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate July 1 (legislative day of June 15), 1937*

#### DIPLOMATIC AND FOREIGN SERVICE

Jefferson Caffery, of Louisiana, now Ambassador Extraordinary and Plenipotentiary to Cuba, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil, vice Hugh S. Gibson.

J. Butler Wright, of Wyoming, now Envoy Extraordinary and Minister Plenipotentiary to Czechoslovakia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba, vice Jefferson Caffery.

Hugh S. Gibson, of California, now Ambassador Extraordinary and Plenipotentiary to Brazil, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium; also Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Luxembourg, vice Dave Hennen Morris.

William H. Hornibrook, of Utah, formerly Envoy Extraordinary and Minister Plenipotentiary to Iran (Persia) and Afghanistan, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Costa Rica.

Ferdinand L. Mayer, of Indiana, now a Foreign Service officer of class 1 and counselor of Embassy at Berlin, Germany, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Haiti, vice George A. Gordon.

Leland Harrison, of Illinois, now Envoy Extraordinary and Minister Plenipotentiary to Rumania, to be Envoy Extraordinary and minister plenipotentiary of the United States of America to Switzerland, vice Hugh R. Wilson.

William E. Chapman, of Oklahoma, now a Foreign Service officer of class 5 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

#### APPOINTMENTS IN THE SOCIAL SECURITY BOARD

Mary E. Austin, of New York, Assistant Director, Bureau of Public Assistance (field activities).

Frank Bane, of Virginia, executive director.

Paul E. Batzell, of New York, Chief, Division of Administration, Bureau of Unemployment Compensation.

Thomas C. Billig, of Maryland, senior attorney.

Robert P. Bingham, of New Hampshire, principal attorney.

Benjamin S. Beecher, of Wisconsin, principal technical analyst.

Thomas C. Blaisdell, Jr., of New York, Assistant Director, Bureau of Research and Statistics.

Ruth O. Blakeslee, of Pennsylvania, Chief, Regulations and Procedure Division, Bureau of Public Assistance.

Thomas C. Broadaway, of Arkansas, senior administration officer.

Leonard J. Calhoun, of Mississippi, assistant general counsel.

John R. Campbell, Jr., of Massachusetts, regional representative, Bureau of Federal Old-Age Benefits.

John J. Corson, of Virginia, assistant executive director.  
James S. Douglass, of Louisiana, technical adviser on motion pictures.

Thomas H. Eliot, of Massachusetts, general counsel.

Merton L. Emerson, of Massachusetts, Chief, Coordinating and Review Division.

Thomas I. Emerson, of the District of Columbia, principal attorney.

Isidore S. Falk, of Connecticut, principal medical economist.

Joseph L. Fay, of Massachusetts, technical adviser on machine methods.

William M. Galvin, of Maryland, senior technical adviser.

Walter Gellhorn, of New York, regional attorney, New York, N. Y.

John F. Hardy, of Massachusetts, regional attorney, Boston, Mass.

S. Park Harman, of New York, regional unemployment compensation representative.

Gladys A. Harrison, of Minnesota, regional attorney, region VIII, Minneapolis, Minn.

LeRoy Hodges, of Virginia, Director of Bureau of Federal Old-Age Benefits.

Jane M. Hoey, of New York, Director, Bureau of Public Assistance.

Robert E. Huse, of Massachusetts, Associate Director, Bureau of Informational Service.

Jesse O. Irvin, of Georgia, Chief, Press Service Division.

Helen R. Jester, of California, Chief, Public Assistance Statistics Division.

Curtis E. Lakeman, of Connecticut, Chief of Publications Division.

Bernice Lotwin, of Wisconsin, principal attorney.

Geoffrey May, of Maryland, Associate Director, Bureau of Public Assistance.

Elliott H. Moyer, of Michigan, senior attorney.

Merrill G. Murray, of Minnesota, Chief, Division of Legislative Aid.

Edward J. McCormack, of Tennessee, special assistant to Board.

Joseph E. McElvain, of New York, senior attorney.

Rose J. McHugh, of New York, Chief, Division of Administrative Surveys.

Harold P. Packer, of New York, senior attorney.

Louis Resnick, of New York, Director, Informational Service.

Mary Ross, of New York, senior social economist.

A. Melvin Sims, of New York, principal attorney.

A. Delafeld Smith, of New York, principal attorney.

Jack B. Tate, of Tennessee, assistant general counsel.

James Guy Tucker, of Arkansas, constructive accountant.

Agnes Van Driel, of Illinois, Chief, Division of Technical Training.

R. Gordon Wagenet, of Connecticut, Director, Bureau of Unemployment Compensation.

Norman J. Ware, of Connecticut, senior economist.

Sue S. White, of Tennessee, senior attorney.

Leonard J. Wilbert, of Wisconsin, constructive accountant.

Alanson W. Willcox, of the District of Columbia, assistant general counsel.

Edward B. Williams, of Arkansas, principal attorney.

Marie R. Wing, of Ohio, regional attorney, region V—Cleveland, Ohio.

#### COAST GUARD

Albert A. Lawrence to be a professor (temporary), with the rank of lieutenant, in the Coast Guard of the United States, to take effect from date of oath.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate July 1 (legislative day of June 15), 1937*

ENVOY EXTRAORDINARY AND MINISTER Plenipotentiary to COSTA RICA

William H. Hornibrook to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Costa Rica.

#### CIVILIAN CONSERVATION CORPS

Robert Fechner to be Director of the Civilian Conservation Corps.

## HOUSE OF REPRESENTATIVES

THURSDAY, JULY 1, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, without whose guidance our labor is useless and our search is vain, draw near to us. We ask Thee to invigorate our counsels and direct our inquiries that by due diligence and discernment we may be wise unto the claims our country has laid upon us. We pray Thee to lift us above all suspicion and distrust and hallow our deliberations with Thy blessing. Do Thou inspire us with high standards and wholesome ideals which will deepen our desire for purity, unselfishness, and sincerity. May we labor with singleness of heart as those who realize that their tasks are measured by the years. Our Heavenly Father, may the humblest cottage and the commonplace things of human life stand forth in the victory of day where the shadows are doomed because the light has come. In the blessed name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### JUDICIARY COMMITTEE

Mr. CHAMPION. Mr. Speaker, I am directed by the Committee on the Judiciary to ask unanimous consent that that committee may be permitted to sit for the remainder of this week during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### RETIREMENT OF EMPLOYEES IN THE CIVIL SERVICE AND IN CERTAIN POSITIONS IN THE LEGISLATIVE BRANCH

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2901) to amend the act of May 29, 1930, for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch, with Senate amendments thereto, and agree to the Senate amendments. The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, as I understand, this extends certain privileges to the employees of the legislative branch of the Government?

Mr. RAMSPECK. That was provided by the House bill. The Senate put in an amendment extending the benefits also to the judicial employees of the Government. I have in my hand a letter from the Attorney General stating he has no objection to the inclusion of the judicial employees. The gentleman will understand this is not mandatory. It is simply a permissive bill.

Mr. MARTIN of Massachusetts. The minority conferees are in accord?

Mr. RAMSPECK. I have spoken to the gentlewoman from Massachusetts, and I think she is in accord with the action I am seeking to have taken.

Mrs. ROGERS of Massachusetts. I think the bill is in satisfactory form. Certain changes were made in reference to Senate employees.

Mr. RAMSPECK. The Senate employees are in a little different position than employees of the House in that they do not pay any deductions into the fund until they have served 15 years, but if they want to avail themselves of the act at that time they have to pay for all of their previous service.

Mr. MARTIN of Massachusetts. The Senate always wants a little edge on the House?

Mr. RAMSPECK. Yes; they insist on that, and as long as it did not affect the House employees, I agreed to the amendment.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "349" and insert "468."

Page 1, line 7, after "branch", insert: "and all officers and employees of any of the courts of the United States who are not entitled to the benefits of any other retirement act whose tenure of employment is not intermittent nor of uncertain duration."

Page 2, line 3, after "be", insert: "and shall not be applicable to any officer or employee of any court of the United States who is brought within its scope by section 1 of this act until such officer or employee gives notice in writing to the disbursing officer by whom the salary of such officer or employee is paid."

Page 2, line 9, after "entrance", insert: "Provided, That in the case of any such employee whose salary or any part thereof is paid by the disbursing officer of the Senate, such notice may be given at any time, and such employee shall come under the provisions of such act of May 29, 1930, at the beginning of the sixth month after the giving of such notice."

Page 2, after line 9, insert:

"No such employee whose salary or any part thereof is paid by the disbursing officer of the Senate shall make any deposit required by section 9, or any redeposit required by subsection (b) of section 12, of such act of May 29, 1930, and there shall not be deducted and withheld from the basic salary, pay, or compensation of any such employee the sum required to be deducted and withheld by section 10 of such act of May 29, 1930, unless and until such employee shall have completed 15 years of service: *Provided*, That before any such employee may derive any of the benefits provided by such act of May 29, 1930, he shall be required to deposit an amount equal to the following sums: (1) The sum which would have been deducted and withheld from his basic salary, pay, or compensation but for the foregoing provisions of this paragraph, together with interest on such sum computed at the rate of 4 percent per annum compounded on June 30 of each fiscal year; (2) any sum required to be deposited under the provisions of section 9 of such act of May 29, 1930; and (3) any sum required to be redeposited under the provisions of subsection (b) of section 12 of such act of May 29, 1930: *Provided further*, That should any such employee who shall have served for a total period of not less than 5 years become totally disabled for useful and efficient service, within the meaning of section 6 of such act of May 29, 1930, before completing 15 years of service, he shall be entitled to the benefits provided by such section 6, upon deposit of the amount required to be deposited under the preceding proviso."

Page 2, lines 13 and 14, strike out "employee in the legislative branch" and insert "officer or employee."

Page 2, line 15, after "act", insert: "nor hereafter to employees of the office of the Architect of the Capitol."

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

#### RREREERENCE OF CERTAIN BILLS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the bill (H. R. 296) to reclassify the salaries of employees in the custodial service of the Post Office Department of the United States, the bill (H. R. 2686) to provide automatic increases in compensation to employees of the custodial service of the United States, and the bill (H. R. 2687) to reclassify the compensation of head charwoman and charwoman in the custodial service of the Post Office Department of the United States be withdrawn from the Committee on the Civil Service and referred to the Committee on the Post Office and Post Roads.

The SPEAKER. Is there objection?

There was no objection.

#### EXTENSION OF REMARKS

Mr. COLDEN and Mr. ECKERT asked and were given permission to extend their own remarks in the RECORD.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS. Mr. Speaker, I respectfully direct the attention of the Members of the House to an extension of remarks I will presently ask permission to include in the RECORD today on the subject of sugar and an outline of what has happened under a sound policy as represented by the Jones-Costigan Act after the invalidation of the processing taxes and benefit payments by the Supreme Court, through the activities of certain lobbyists.

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. HONEYMAN. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of business on the Speaker's desk and special orders previously made, the gentleman from Pennsylvania [Mr. ALLEN] may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

#### GOLDEN GATE INTERNATIONAL EXPOSITION

Mr. WELCH. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 88, as amended, authorizing Federal participation in the Golden Gate Exposition to be held in 1939.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to find out how much this fair is going to cost.

The SPEAKER. The Chair cannot inform the gentleman.

Mr. RICH. I would like to have the gentleman from California [Mr. WELCH] answer the question.

Mr. WELCH. Mr. Speaker, the bill just referred to, I may say to the gentleman from Pennsylvania, provides for an appropriation of \$1,500,000.

The original bill as introduced provided for an appropriation of \$3,000,000, but by reason of the many demands on the Government and the gentleman's insistence on holding down appropriations, we cut the appropriation from \$3,000,000 to \$1,500,000.

Mr. RICH. This exposition comes in the same year we are having the world's fair in New York. Considerable Federal funds are being spent during that year for the fair in New York City. Is it not possible we might have this fair in some other year, as we get requests annually for appropriation for fairs? Then we would not have two in the same year, one in California and one in New York. The people may get kind of dizzy going back and forth.

Mr. WELCH. I wish to state to the gentleman we all hoped this could be avoided but it developed it was impossible. Both expositions must go on. The President of the United States last year sent out invitations to the nations of the world, 59 in all, to participate in both expositions. Predicated on that, millions of dollars have been spent by New York and by San Francisco. Here is a picture of the San Francisco exposition site, which is on a man-made island in the middle of San Francisco Bay. This island has been reclaimed at a cost of a vast sum of money. The State of California has already appropriated \$5,000,000 for State participation, and the people of San Francisco have contributed \$7,500,000 up to this time. I may say to the gentleman we are too far advanced to defer the exposition another year. It is impossible. There has been a mutual understanding between New York and San Francisco that there will be no conflict between the two expositions. The gentleman knows, of course, that New York and San Francisco are 3,000 miles apart. An exposition is going on in Paris at the present time. There is not much difference in distance between New York to Paris and from New York to San Francisco. This is a large country of ours.

Mr. RICH. I may say to the gentleman that you wanted \$3,000,000 and now you are asking for \$1,500,000. What assurance have we you will not be back for the other \$1,500,000 before the fair is over?

Mr. WELCH. I can say to the gentleman I will not be back asking for it.

Mr. RICH. How about the other Members of the California delegation?

Mr. WELCH. I do not think so. However, I cannot speak for the other Members.

Mr. RICH. I hope you have a good time in California.

Mr. WELCH. I thank the gentleman.

Mr. RICH. And we might say, "California, here we come." [Laughter.]

Mr. WELCH. Mr. Speaker, on November 16, 1936, the President, pursuant to Senate Joint Resolution 226, now Public, No. 107, Seventy-fourth Congress, invited 59 countries of the world to attend and participate in the Golden Gate International Exposition. Many foreign countries have accepted the invitation, particularly Central America, South America, Hawaii, the Philippine Islands, the Orient, Australia, and New Zealand.

Twenty-three States have enacted legislation or have legislation pending providing for participation, as have European countries and nations of the Pacific, while the requests for concession space far exceed the number that can be accepted.

The exposition will celebrate the completion of the world's two largest bridges across the San Francisco Bay, the inauguration of trans-Pacific air service that brings the Orient to our very door, the progress of the nations bordering the Pacific, and the economic and social development of the 11 States constituting America's western empire.

The site of the exposition is a man-made island, 400 acres in size, in the center of San Francisco Bay. Building this island involves the construction of a 16,000-foot sea wall, containing 220,000 tons of rock, and the pumping of 20,000,000 cubic yards of sand by nine giant dredges. The administration building and 2 exhibit palaces are one-half completed, and 12 exhibit buildings, ferry terminals, and roadways are now under contract. At the close of the exposition, the island will be cleared of structures, with the exception of the \$800,000 administration building and two hangars, each costing \$400,000, and turned into an airport and seaplane base, with legal and statutory obligations giving both Army and Navy access and use of this land, which will become part of our national defense.

A minimum attendance of 20,000,000 persons is anticipated. This is being conservative when it is considered that there are 3,000,000 persons located within 1 hour of the exposition gates and 9,000,000 population in the three Pacific Coast States. The sum to be paid in taxes to the Government is estimated at \$30,000,000, more than 15 times the amount of the Federal appropriation.

At no point is San Francisco stressing selfish advantage or contemplating purely local profit. The whole of California, Pacific Coast and Rocky Mountain States, Central America, South America, Hawaii, the Philippines, the Orient, Australia, and New Zealand have all been joined as cohorts.

This resolution has the approval of the Departments of State, Commerce, Agriculture, Treasury, Interior, and War, and the Comptroller General of the United States.

The original resolution introduced by me provided for an appropriation of \$3,000,000. This sum was reduced upon the suggestion of the Bureau of the Budget in order to conform with the financial policy of the President to \$1,750,000. By agreement, a further reduction was made, reducing the amount to \$1,500,000. The State of California recently appropriated \$5,000,000 toward the exposition, and the people of San Francisco raised \$7,500,000 for this purpose.

Primarily and essentially, this great exposition is for the purpose of emphasizing the amazing progress of the Western Hemisphere and laying the cornerstone of a new Pacific empire.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas there is to be held in the city of San Francisco during the year 1939 a world's fair and celebration commemorating the completion of the San Francisco-Oakland Bridge and the Golden Gate Bridge, and designed to gather, arrange, and exhibit the varied cultures of the countries tributary to the Pacific Ocean and the origins, progress, and accomplishments in science, the arts, education, industry, business, and transportation of the Pacific area of the United States, and the nations of the world;

Whereas a site for the exposition, an island of 400 acres, municipally owned and located in the center of San Francisco Bay, is now nearing completion, and the San Francisco Bay Exposition, Inc., will expend not less than \$24,500,000 on its improvement; said site, upon the close of the exposition to become a municipal airport serving the entire metropolitan San Francisco Bay district, and forming an adjunct of vast importance to national defense; and

Whereas such world fair and celebration are worthy and deserving of the support and encouragement of the United States; and the United States has aided and encouraged such world's fairs and celebrations in the past: Therefore be it

*Resolved, etc.,* That there is hereby established a Commission, to be known as the United States Golden Gate International Exposition Commission and to be composed of the Secretary of Agriculture, the Secretary of Commerce and the Secretary of Labor; which Commission shall serve without additional compensation and shall represent the United States in connection with the holding of a world's fair and celebration in the city of San Francisco during the year 1939.

Sec. 2. There shall be a United States Commissioner for the Golden Gate International Exposition, who shall be appointed by the President, and who shall receive compensation at the rate of \$10,000 per annum, and one Assistant Commissioner for said Golden Gate International Exposition, who shall be appointed by the Commissioner with the advice and approval of the Commission herein designated and shall receive compensation not to exceed \$7,500 per annum. The salary and expenses of the Commissioner, the Assistant Commissioner, and such staff as the Commission may require, shall be paid out of the funds authorized to be appropriated by this joint resolution, for such period prior to the opening of the Golden Gate International Exposition as the Commission may determine, for the duration of the Golden Gate International Exposition, and for not more than 6 months after the official closing thereof.

Sec. 3. The Commission shall prescribe the duties of the United States Commissioner and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the Golden Gate International Exposition by the Government of the United States, its executive departments, independent offices, and establishments, such articles and materials and documents and papers as may relate to the growth and development of civilization on the American continents from the first arrival of man to the present day, and such as illustrate the function and administrative faculty of the Government in the advancement of industry, science, invention, agriculture, the arts, and peace, and demonstrating the historic growth and nature of American institutions, particularly as regards their adaptation to the needs of the people.

Sec. 4. In carrying out the purposes of this joint resolution, the Commission is authorized—

(a) To appoint, without regard to the civil service laws and regulations and the Classification Act of 1923, as amended, such clerks, stenographers, and other assistants, and to engage by contract or otherwise such other services as may be necessary in connection with the performance of the functions of the Commission, including the preparation of exhibits plans.

(b) To erect such building or buildings, or other structures, and to provide for the landscaping of the site or sites thereof: *Provided*, That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931 (46 Stat. 1494), shall be paid; to rent such space in the District of Columbia or elsewhere, without regard to section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem necessary; and to provide for the decoration and maintenance of buildings, structures, sites, and grounds during the period deemed necessary by the Commission.

(c) To contract with the San Francisco Bay Exposition, Inc., without advertising, for the designing and erection of such building or buildings, structure or structures, the rental of such space, and for such other services as the Commission shall deem advisable to be contracted for in that manner.

(d) To use funds appropriated under authority of the joint resolution to pay salaries of employees of other Government agencies detailed or loaned for duty with the Commission at rates not in excess of the rates received in the agency from which detailed or loaned; to purchase books of reference, newspapers, and periodicals, payment for which, and for telephone service, rents, and similar items, may be made in advance; to purchase, hire, maintain, repair, and operate passenger-carrying vehicles for use of the Commissioner and Assistant Commissioner without regard to the statutory restrictions upon the price for new cars or

the amounts which may be expended for maintenance, repair, and operation; to have printing and binding done elsewhere than at the Government Printing Office in the discretion of the Commission; to entertain distinguished guests; to provide for reimbursement of expenses of travel by airplane when deemed necessary notwithstanding the cost may exceed the cost by rail; to provide for insurance on privately owned exhibits loaned to the Commission; to purchase ice and drinking water for use in buildings and offices; to purchase uniforms for guards and attendants; and to insure such other expenses as may be deemed necessary to the fulfillment of the purposes of this joint resolution.

(e) To allot funds appropriated for the purposes of this resolution to any executive department, independent office, or establishment of the Government with the consent of the head thereof, for direct expenditure in executing the duties or functions delegated by the Commission.

(f) To delegate any of its powers and authority, in its discretion, and any power or authority vested in the Commissioner by this resolution or delegated to him may be delegated or sub-delegated by him to the Assistant Commissioner or to any other person or persons in the employ of the Commission or detailed to it.

Sec. 5. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with said Commissioner in the procurement, installation, and display of exhibits, and to lend to the Golden Gate International Exposition, with the knowledge and consent of said Commissioner, such articles, specimens, and exhibits as said Commissioner shall deem to be in the interest of the United States and in keeping with the purposes of such world's fair and celebration, to be placed with the science or other exhibits to be shown under the auspices of such Golden Gate International Exposition, to appoint without regard to civil-service laws and regulations and the Classification Act of 1923, as amended, such draftsmen and other assistants as may be necessary, to contract for labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or independent offices and establishments to assist said Commissioner. At the close of the world's fair, or when the connection of the Government of the United States therewith ceases, said Commissioner shall cause all such property to be returned to the respective departments and independent offices and establishments concerned, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent expositions and fairs, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation authorized herein; and if the return of such property is not feasible, he may, with the consent of the Commission and the departments or independent offices and establishments concerned, make such disposition thereof as he may deem advisable and account therefor.

Sec. 6. The sum of \$1,500,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of this joint resolution, and shall remain available until expended; except that, upon the termination of the Commission, any unexpended or unobligated balances shall be covered back into the Treasury of the United States. And, subject to the provisions of this joint resolution, the Commission is authorized to erect such building or buildings, or other structures, for its own use, and such other buildings and structures as will further the trade and good will between the United States and the other nations of the world, and to provide for the landscaping of the site or sites thereof; to rent such space without regard to the provisions of section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem adequate to carry out effectively the provisions of this joint resolution; to provide for the decorations of such buildings or structures, and for the proper maintenance of such buildings or structures, sites, and grounds during the period deemed necessary by the Commission: *Provided*, That the facilities of the Public Buildings Branch, Procurement Division, Treasury Department, shall be utilized in the preparation of plans, drawings, designs, specifications, and estimates, the execution of contracts, and the supervision of construction in connection with any buildings or structures erected for Federal exhibits and for other purposes: *Provided further*, That funds designated for the foregoing construction purposes shall be available for transfer to and expenditure by the Procurement Division, Treasury Department, to the extent and at such times as may be deemed necessary by the Director of Procurement to permit him to carry out the work herein designated. The Commission may contract with the San Francisco Bay Exposition, Inc., sponsors of the Golden Gate International Exposition, for improvement or improvements, the rental of such space and for other services as shall be deemed necessary and proper. The appropriation authorized by this joint resolution shall be available for the operation of the building or buildings, structure or structures, improvement or improvements, including light, heat, water, gas, maid, janitor, and other required services; for the rental of space in the District of Columbia or elsewhere; for the selection, purchase, preparation, assembling, transportation, installation, arrangement, repair, safekeeping, exhibition, demonstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibits and in the exhibits of the Golden Gate International Exposition; for the purchase of uniforms, for the compensation of said Commissioner, Assistant Commissioner, and

other officers and employees of the Commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government employed by or detailed for duty with the Commission, for actual traveling expenses, including travel by air, water, and automobile, and for per diem in lieu of actual subsistence at not to exceed \$5 per day: *Provided*, That no Government official or employee detailed for duty with the Commission shall receive a salary in excess of the rate which he has been receiving in the department or branch where regularly employed, plus such reasonable allowance to officers and enlisted men of the armed forces for additional uniforms and equipment required by participation in the Golden Gate International Exposition, including alteration, laundering, cleaning, and pressing thereof, as deemed proper by the Commissioner; for telephone service, purchase or rental of furniture and equipment, stationery and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers, and all other appropriate publications, and ice and electric refrigeration and drinking water for office purposes: *Provided further*, That payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes, may be made in advance; for the purchase and hire of passenger-carrying automobiles, their maintenance, repair, and operation, for the official use of said Commissioner and Assistant Commissioner in the District of Columbia or elsewhere as required; for printing and binding; for entertainment of distinguished visitors; and for all other expenses as may be deemed necessary by the Commission to fulfill properly the purposes of this joint resolution. All purchases, expenditures, and disbursements of any moneys made available by authority of this joint resolution shall be made under the direction of the Commission: *Provided further*, That the Commission, without release of responsibility, as hereinbefore stipulated, may delegate these powers and functions: *Provided further*, That the Commission or its delegated representatives may allot funds appropriated herein to any executive department, independent office, or establishment of the Government with the consent of the heads thereof, for direct expenditure by such executive department, independent office, or establishment, for the purpose of defraying any proper expenditure which may be incurred by such executive department, independent office, or establishment in executing the duties and functions delegated by the Commission. All accounts and vouchers covering expenditures shall be approved by said Commissioner or by such assistants as the Commission may designate, except for such allotments as may be made to the various executive departments, independent offices, and establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, and permit any obligations to be incurred in excess of the amount authorized to be appropriated herein: *And provided further*, That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931, as amended, shall be paid. Subject to the provisions of this joint resolution, the Commission is authorized to make any expenditures or allotments deemed necessary by it to fulfill properly the purposes of this joint resolution.

Sec. 7. The Commissioner, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such contributions shall be expended and accounted for in the same manner as the funds authorized to be appropriated by this joint resolution. The Commissioner is also authorized to receive contributions of material, or to borrow material or exhibits, and to accept the services of any skilled and unskilled labor that may be available through State or Federal relief organizations, to aid in carrying out the general purposes of this joint resolution. At the close of the world's fair and celebration or when the connection of the Government of the United States therewith ceases, the Commissioner shall dispose of any such portion of the material contributed as may be unused, and return such borrowed property; and, under the direction of the Commission, dispose of any buildings or structures which may have been constructed and account therefor: *Provided*, That all disposition of materials, property, buildings, etc., shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States: *Provided further*, That the Commission may, if it deems it desirable and in the public interest, transfer without consideration the title to the Federal Exhibits Building erected or constructed to the city of San Francisco.

The Commissioner, with the approval of the Commission and in cooperation with the Secretary of the Interior, shall make provision for participation in the exposition by the Indian citizens of the United States. For this purpose the Commission is authorized to set aside from the appropriation herein authorized so much as may be necessary for the erection of buildings, the employment of supervisory and other personnel without regard to the civil-service laws and regulations and the Classification Act of 1923, as amended, and for all other expenses incident thereto, including the classes authorized under section 4 of this joint resolution.

Sec. 8. It shall be the duty of the Commission to transmit to Congress, within 6 months after the close of the world's fair, a detailed statement of all expenditures and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference.

Upon the transmission of such report to Congress the Commission established by and all appointments made under the authority of this joint resolution shall terminate.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert:

"That there is hereby established a Commission, to be known as the United States Golden Gate International Exposition Commission and to be composed of the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, three Members of the House to be appointed by the Speaker of the House of Representatives and three Members of the Senate to be appointed by the President of the Senate; which Commission shall serve without additional compensation and shall represent the United States in connection with the holding of a world's fair and celebration in the city of San Francisco during the year 1939.

"Sec. 2. There shall be a United States Commissioner for the Golden Gate International Exposition, who shall be appointed by the President, and who shall receive compensation at the rate of \$10,000 per annum, and one Assistant Commissioner for said Golden Gate International Exposition, who shall be appointed by the Commissioner with the advice and approval of the Commission herein designated and shall receive compensation not to exceed \$7,500 per annum. The salary and expenses of the Commissioner, the Assistant Commissioner, and such staff as the Commission may require, shall be paid out of the funds authorized to be appropriated by this joint resolution, for such period prior to the opening of the Golden Gate International Exposition as the Commission may determine, for the duration of the Golden Gate International Exposition, and for not more than 6 months after the official closing thereof.

"Sec. 3. The Commission shall prescribe the duties of the United States Commissioner and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the Golden Gate International Exposition by the Government of the United States, its executive departments, independent offices, and establishments, such articles and materials and documents and papers as may relate to the growth and development of civilization on the American continents and such as illustrate the function and administrative faculty of the Government in the advancement of industry, science, invention, agriculture, the arts, and peace, and demonstrating the historic growth and nature of American institutions, particularly as regards their adaptation to the needs of the people.

"Sec. 4. In carrying out the purposes of this joint resolution, the Commission is authorized—

"(a) To appoint, without regard to the civil-service laws and regulations and the Classification Act of 1923, as amended, such clerks, stenographers, and other assistants, and to engage by contract or otherwise such other services as may be necessary in connection with the performance of the functions of the Commission, including the preparation of exhibits plans: *Provided, however,* That for similar services, the pay shall not be in excess of that provided by the Classification Act of 1923, as amended.

"(b) To erect, on land owned by the city and county of San Francisco, such building or buildings, or other structures, and to provide for the landscaping of the site or sites thereof: *Provided,* That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931 (46 Stat. 1494), shall be paid; to rent such space in the District of Columbia or elsewhere, without regard to section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem necessary; and to provide for the decoration and maintenance of buildings, structures, sites, and grounds during the period deemed necessary by the Commission.

"(c) To use funds appropriated under authority of the joint resolution to pay salaries of employees of other Government agencies detailed or loaned for duty with the Commission at rates not in excess of the rates received in the agency from which detailed or loaned; to purchase books of reference, newspapers, and periodicals, payment for which, and for telephone service, rents, and similar items, may be made in advance; to purchase, hire, maintain, repair, and operate passenger-carrying vehicles for use of the Commissioner and Assistant Commissioner without regard to the statutory restrictions upon the price for new cars or the amounts which may be expended for maintenance, repair, and operation; to have printing and binding done elsewhere than at the Government Printing Office in the discretion of the Commission; to entertain distinguished guests; to provide for reimbursement of expenses of travel by airplane when deemed necessary notwithstanding the cost may exceed the cost by rail; to provide for insurance on privately owned exhibits loaned to the Commission; to purchase ice and drinking water for use in buildings and offices; to purchase uniforms for guards and attendants; and to incur such other expenses as may be deemed necessary to the fulfillment of the purposes of this joint resolution.

"(d) To allot funds appropriated for the purposes of this resolution to any executive department, independent office, or establishment of the Government with the consent of the head thereof, for direct expenditure in executing the duties or functions delegated by the Commission.

"(e) To delegate any of its powers and authority, in its discretion, and any power or authority vested in the Commissioner by this resolution or delegated to him may be delegated or subdelegated by him to the Assistant Commissioner or to any other person or persons in the employ of the Commission or detailed to it.

"Sec. 5. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with said Commissioner in the procurement, installation, and display of exhibits, and to lend to the San Francisco Bay Exposition, Inc., sponsors of the Golden Gate International Exposition, with the knowledge and consent of said Commissioner, such articles, specimens, and exhibits as said Commissioner shall deem to be in the interest of the United States and in keeping with the purposes of such world's fair and celebration, to be placed with the science or other exhibits to be shown under the auspices of such Golden Gate International Exposition, to appoint without regard to civil-service laws and regulations and the Classification Act of 1923, as amended, such draftsmen and other assistants as may be necessary, to contract for labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or independent offices and establishments to assist said Commissioner. At the close of the world's fair, or when the connection of the Government of the United States therewith ceases, said Commissioner shall cause all such property to be returned to the respective departments and independent offices and establishments concerned, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent exhibitions and fairs, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation authorized herein; and if the return of such property is not feasible, he may, with the consent of the Commission and the departments or independent offices and establishments concerned, make such disposition thereof as he may deem advisable and account therefor.

"Sec. 6. The sum of \$1,500,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of this joint resolution, and shall remain available until expended; except that, upon the termination of the Commission, any unexpended or unobligated balances shall be covered back into the Treasury of the United States; and, subject to the provisions of this joint resolution, the Commission is authorized to erect, on land owned by the city and county of San Francisco, such building or buildings, or other structures, for its own use, and such other buildings and structures as will further the trade and good will between the United States and the other nations of the world, and to provide for the landscaping of the site or sites thereof; to rent such space without regard to the provisions of section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem adequate to carry out effectively the provisions of this joint resolution; to provide for the decorations of such buildings or structures, and for the proper maintenance of such buildings or structures, sites, and grounds during the period deemed necessary by the Commission: *Provided,* That the facilities of the Public Buildings Branch, Procurement Division, Treasury Department, may be utilized in the preparation of plans, drawings, designs, specifications, and estimates, the execution of contracts, and the supervision of construction in connection with any buildings or structures erected for Federal exhibits and for other purposes: *Provided further,* That funds designated for the foregoing construction purposes may be available for transfer to and expenditure by the Procurement Division, Treasury Department, to the extent and at such times as may be deemed necessary by the Director of Procurement to permit him to carry out such work as the Commission shall deem advisable to be contracted for in that manner. The appropriation authorized by this joint resolution shall be available for the operation of the building or buildings, structure or structures, improvement or improvements, including light, heat, water, gas, maid, janitor, and other required services; for the rental of space in the District of Columbia or elsewhere; for the selection, purchase, preparation, assembling, transportation, installation, arrangement, repair, safekeeping, exhibition, demonstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibits and in the exhibits of the Golden Gate International Exposition; for the purchase of uniforms, for the compensation of said Commissioner, Assistant Commissioner, and other officers and employees of the Commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government employed by or detailed for duty with the Commission, for actual traveling expenses, including travel by air, water, and automobile, and for per diem in lieu of actual subsistence at not to exceed \$5 per day: *Provided further,* That no Government official or employee detailed for duty with the Commission shall receive a salary in excess of the rate which he has been receiving in the department or branch where regularly employed, plus such reasonable allowance to officers and enlisted men of the armed forces for additional uniforms and equipment required by participation in the Golden Gate International Exposition, including alterations, laundering, cleaning, and pressing thereof, as deemed proper by the Commissioner; for telephone service, purchase or rental of furniture and equipment, stationery, and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers, and all other appropriate publications,

and ice and electric refrigeration and drinking water for office purposes: *Provided further*, That payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes, may be made in advance; for the purchase and hire of passenger-carrying automobiles, their maintenance, repair, and operation, for the official use of said Commissioner and Assistant Commissioner in the District of Columbia or elsewhere as required; for printing and binding; for entertainment of distinguished visitors; and for all other expenses as may be deemed necessary by the Commission to fulfill properly the purposes of this joint resolution. All purchases, expenditures, and disbursements of any moneys made available by authority of this joint resolution shall be made under the direction of the Commission: *Provided further*, That the Commission, without release of responsibility, as hereinbefore stipulated, may delegate these powers and functions: *Provided further*, That the Commission or its delegated representatives may allot funds appropriated herein to any executive department, independent office, or establishment of the Government with the consent of the heads thereof, for direct expenditure by such executive department, independent office, or establishment, for the purposes of defraying any proper expenditure which may be incurred by such executive department, independent office, or establishment in executing the duties and functions delegated by the Commission. All accounts and vouchers covering expenditures shall be approved by said Commissioner or by such assistants as the Commission may designate, except for such allotments as may be made to the various executive departments, independent offices, and establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, and permit any obligations to be incurred in excess of the amount authorized to be appropriated herein: *And provided further*, That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931, as amended, shall be paid. Subject to the provisions of this joint resolution, the Commission is authorized to make any expenditures or allotments deemed necessary by it to fulfill properly the purposes of this joint resolution.

"Sec. 7. The Commissioner, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such contributions shall be expended and accounted for in the same manner as the funds authorized to be appropriated by this joint resolution. The Commissioner is also authorized to receive contributions of material, or to borrow material or exhibits, and to accept the services of any skilled and unskilled labor that may be available through State or Federal relief organizations, to aid in carrying out the general purposes of this joint resolution. At the close of the world's fair and celebration or when the connection of the Government of the United States therewith ceases, the Commissioner shall dispose of any such portion of the material contributed as may be unused, and return such borrowed property; and, under the direction of the Commission, dispose of any buildings or structures which may have been constructed and account therefor: *Provided*, That all disposition of materials, property, buildings, etc., shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States: *Provided further*, That the Commission may, if it deems it desirable and in the public interest, transfer, with or without consideration, the title to the Federal exhibits building or buildings erected or constructed to the city and county of San Francisco.

"The Commissioner, with the approval of the Commission and in cooperation with the Secretary of the Interior, may make provision for participation in the exposition by the Indian citizens of the United States. For this purpose the Commission may allot funds appropriated under authority of this joint resolution as may be necessary for the erection of buildings, the employment of supervisory and other personnel without regard to the civil-service laws and regulations and to fix their salaries in accordance with the Classification Act of 1923, as amended, and for all other expenses incident thereto, as the Commission shall deem advisable to be contracted for in that manner.

"Sec. 8. It shall be the duty of the Commission to transmit to Congress, within 6 months after the close of the world's fair, a detailed statement of all expenditures, and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference. Upon the transmission of such report to Congress the Commission established by and all appointments made under the authority of this joint resolution shall terminate."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an address I delivered in Springfield, Ill., last week on the conservation of the migratory waterfowl.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a brief table.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. TURNER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record by inserting a brief letter and a short article by Mr. J. F. Porter, president of the Tennessee Farm Bureau Federation.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the majority leader if he can give any information as to the probable program for next week? Some Members would like very much to know.

Mr. RAYBURN. On Tuesday of next week the Private Calendar will be called, which will take about an hour. After that there is a possibility there may come up the resolution from the Committee on Rules with respect to some matters in which the gentleman from New York [Mr. Bloom] is interested. If this is not called up, then the measure regarding the so-called section 213, known as the married woman's clause, will come up. Also, there are rules from the Committee on Rules making in order the consideration of two bills reported by the Committee on Naval Affairs. This is about as far as I know the program for next week.

Mr. MARTIN of Massachusetts. The understanding is that the conference report on the Interior Department appropriation bill will not come up until next week, anyway?

Mr. RAYBURN. The gentleman is correct.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. COCHRAN. I may say for the benefit of the House that the Senate has already passed a resolution which continues the appropriations and lets the departments carry on legally. Therefore there seems to be no reason whatsoever why any conference reports on appropriation bills should be called up until next week.

Mr. RAYBURN. Certainly the conference report on the Interior Department appropriation bill will not come up this week.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes; I yield.

Mr. FISH. May I ask the majority leader if he can inform the House what he has in mind for the balance of the week?

Mr. RAYBURN. This week?

Mr. FISH. No; next week. Some of us are going home for the Fourth, and might like to go on a little fishing trip and possibly stay away a few days. Can the gentleman inform the House what he has in mind for the balance of next week after Tuesday?

Mr. RAYBURN. I thought I had just stated that.

Mr. FISH. No; the gentleman gave us the program for Tuesday.

Mr. RAYBURN. The statement I made a moment ago was that on Tuesday, after the call of the Private Calendar, a rule will be called up making in order the resolution introduced by the gentleman from New York [Mr. Bloom] with reference to the continuance of the work of the United States Constitution Sesquicentennial Commission. If this rule is not called up, then the so-called married woman's clause measure will be considered that day, otherwise it will go over until Thursday. If the consideration of that measure takes the day, then the two bills from the Committee on Naval Affairs will come up Thursday. Calendar Wednesday will not be set aside.

Mr. FISH. The gentleman does not have in mind the consideration of any essential or important bills for next week?

Mr. RAYBURN. I may say the majority Members would like to be recorded on the so-called married woman's clause measure.

Mr. FISH. That is a matter of opinion, is it not? Some may not want to be recorded.

Mr. RAYBURN. That is the program for next week. I intend to ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee to extend his remarks in the RECORD in the manner indicated?

There was no objection.

#### ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, Friday, it adjourn to meet on Tuesday next.

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to ask the majority leader a question. As I understand it, there is a bill to be brought in here sometime before we take up the Interior Department appropriation bill for the approval of what they call the Big Thompson project in Colorado. Will that measure come up this week?

Mr. RAYBURN. It will not.

Mr. RICH. I do not object, Mr. Speaker.

Mr. TABER. Mr. Speaker, reserving the right to object, I should like to ask the majority leader if it will be the policy to bring up the Interior Department bill before Wednesday next?

Mr. RAYBURN. I think not; and I will state for the RECORD that the Interior Department bill will not come up this week and will not come up on Tuesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### RIVERS AND HARBORS BILL

Mr. DRIVER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 241.

The Clerk read as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7051, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rivers and Harbors, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. DRIVER. Mr. Speaker, the purpose of this resolution is to make in order the consideration of the bill H. R. 7051, the river and harbor bill.

This is the first river and harbor bill presented to the House in the past 2 years, and includes 119 projects, located in 17 States and Territories, and two of our island possessions have one each.

The amount involved in the 119 projects is \$31,600,000, and the 119 projects included are practically all projects already adopted by the Congress on which necessary expenditures must be made due to conditions arising during the course of the past 2 years.

This is one of the smallest rivers and harbors authorization bills that has ever been presented to the Congress, and the work is very necessary and essential for the benefit of commerce and transportation, because, as you are aware, navigation very largely enters into all projects included in rivers and harbors activities.

However, the measure involves certain improvements that are to be made in our Pacific islands possessions which are believed to be very highly necessary in order to carry on the policy we have in shaping those islands for any eventuality that may occur.

No part of this authorization is expected to be appropriated this year. This is a future appropriation matter, containing only the authorization, and the improvements

provided for will cover possibly a period of from 4 to 6 years.

I do not believe it is necessary to make any further statement. The rule is an open one, providing for 2 hours of general debate, when the bill will be read and be open to any amendment that is germane to the measure.

Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I have no demands for time, and I am perfectly willing to have the rule adopted at this time.

Mr. DRIVER. Mr. Speaker, I offer an amendment to the resolution.

The Clerk read as follows:

Amendment offered by Mr. DRIVER: After the word "purposes", in line 6, insert "and all points of order against said bill are hereby waived."

Mr. DRIVER. Mr. Speaker, this is merely to insert in the rule a matter that was overlooked.

The amendment was agreed to.

Mr. DRIVER. Mr. Speaker, I move the previous question on the resolution, as amended.

The previous question was ordered.

The resolution was agreed to.

Mr. MANSFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7051, the rivers and harbors authorization bill, with Mr. Lucas in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. MANSFIELD. Mr. Chairman, the bill before us authorizes the improvement of 119 waterway projects involving a total expenditure for completion of \$31,720,300. The projects are fully described in the report, hence a further detailed description at this time is deemed unnecessary. The improvements recommended in the bill are deemed to be urgent and necessary in the systematic movement of our great and ever-growing commerce. The total expenditure involved is small as compared with that of former river and harbor bills. The last bill of the kind to pass Congress, and which was approved by the President on August 30, 1935, authorized 246 projects, having an aggregate cost to complete of over \$660,000,000.

In the early history of our country the waterways constituted the only practical means of transportation. Great networks of towpath canals were constructed, and every river capable of floating a boat was brought into use in the transportation of freight and passengers. The canals were constructed, dredged, and maintained, at the cost of the respective States or other local interests, and but little if any improvement was given to the rivers and harbors, and none of which was by the Federal Government.

From the beginning of our Government Congress, while not providing the means of transportation, yet recognized the necessity of safeguarding our commerce, as well as of human life. Even back to the first Congress provision was made for the establishment of buoys, lights, and other danger signals. The viewpoint seemed to have been that Congress had constitutional authority to incur the cost of warning the mariner of a dangerous channel in order that he might provide for his own safety, but that it was without constitutional authority to incur the cost of removing those dangers.

In 1808, Albert Gallatin, Secretary of the Treasury, submitted a report recommending expenditures by the Federal Government for internal improvements, including both

roads and waterways. Mr. Jefferson put this recommendation into partial effect in the establishment of the national turnpike, but his successor, Mr. Madison, took a different view of the powers granted by the Constitution, and the program was permitted to "die aborning."

In 1817, Congress passed a bill for internal improvements which included waterways. The last official act of Mr. Madison before retiring from the presidency on March 3, 1817, was to veto this bill. His veto message was as follows:

MARCH 3, 1817.

*To the House of Representatives of the United States:*

Having considered the bill this day presented to me entitled "An act to set apart and pledge certain funds for internal improvement", and which sets apart and pledges funds "for constructing roads and canals, and improving the navigation of water courses, in order to facilitate, promote, and give security to internal commerce among the several States, and to render more easy and less expensive the means and provisions for the common defense", I am constrained by the insuperable difficulty I feel in reconciling the bill with the Constitution of the United States to return it with that objection to the House of Representatives, in which it originated.

The legislative powers vested in Congress are specified and enumerated in the eighth section of the first article of the Constitution, and it does not appear that the power proposed to be exercised by the bill is among the enumerated powers, or that it falls by any just interpretation within the power to make laws necessary and proper for carrying into execution those or other powers vested by the Constitution in the Government of the United States.

"The power to regulate commerce among the several States" cannot include a power to construct roads and canals, and to improve the navigation of water courses in order to facilitate, promote, and secure such a commerce without a latitude of construction departing from the ordinary import of the terms strengthened by the known inconveniences which doubtless led to the grant of this remedial power to Congress."

Mr. Madison was known as the "Father of the Constitution", and was regarded as our foremost authority upon constitutional questions. While his veto message on this bill was more or less questioned and criticized, yet no serious attempts were made for the improvement of rivers and harbors by the Federal Government until after the decision of the Supreme Court in the case of *Gibbons against Ogden*, rendered on March 2, 1824. In May 1824, following that decision, Congress passed its first distinctive act for river and harbor improvement. It was a bill for the improvement of the Ohio and Mississippi Rivers. This was about 35 years after the adoption of the Constitution.

In a speech before the National Rivers and Harbors Congress in 1936, I called attention to the decision of Chief Justice Marshall in the case of *Gibbons against Ogden*. With the possible exception of the *Dred Scott* decision, it perhaps attracted greater public interest than any other case ever coming before the Supreme Court, at least in the first century of our national existence. It completely reversed the attitude of the Government with respect to interstate commerce, and laid the foundation for the building of a great nation. It restored to Congress its constitutional right to regulate commerce among the States, and to provide the necessary facilities to that end.

Chief Justice Marshall has been severely criticized in recent years, yet I believe the record shows that he was probably the foremost New Dealer of his time. It is true he did not hesitate to nullify acts of Congress when considered in conflict with the Constitution. At the same time, he just as unhesitatingly upheld Congress in the exercise of its constitutional functions, even after that power had been denied by no less a person than the Father of the Constitution, then President of the United States.

Mr. SMITH of Washington. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. SMITH of Washington. It is interesting to note that Daniel Webster was the principal counsel in that case, and made the main argument, and his view was adopted by the Supreme Court of the United States. I recently had occasion to read his argument which I found very informative.

Mr. MANSFIELD. I refer to that later.

If the Madison interpretation of the Constitution had prevailed to the present time our great inland water-borne commerce would not have been within the realm of possibilities.

Our foreign and coastwise trade could never have developed to its present proportions on account of the inadequacy of port and harbor facilities. The Great Lakes could never have been placed in condition for the systematic development of our great steel industry. Our Navy could not have assumed its present proportions, as but few, if any, of our harbors would have been in condition suitable for its use. Practical flood protection would not have been possible. These illustrations could be extended almost indefinitely.

Prior to the decision in the case of *Gibbons against Ogden* interstate shipping had become involved in so many complications as to render it practically impossible. The Federal Government issued permits or licenses to steamboats engaged in interstate and coastwise trade, but this authority was disputed by many of the States, who claimed the exclusive right to regulate all commerce within their respective boundaries, whether it be State or interstate traffic.

New York prohibited boats to enter her navigable waters without a permit under the sanction of the Fulton and Livingston privilege granted. Neighboring States enacted retaliatory measures. Connecticut enacted a law prohibiting boats from entering the waters of that State if they held such licenses from New York. By the law of New Jersey, if any citizen of that State should be restrained under the New York law, the courts of New Jersey would be given jurisdiction on action for damage, with treble costs against the party seeking such restraint. This was termed an "act of retortion against the illegal and oppressive legislation of New York." Other States had enacted somewhat similar retaliatory measures. From this it will be seen that commerce between the States would be impossible unless regulated by the Federal Government as provided in the Constitution. Chief Justice Marshall, in sustaining the Constitution of the United States in this decision, made interstate commerce possible and practicable.

Robert Fulton, who developed the *Clermont*, the first steamboat to be successfully navigated, together with Robert R. Livingston, his wife's uncle, a man of great prominence, obtained from the State of New York the exclusive privilege of operating boats propelled by steam upon the navigable waters of that State. Under the act of the New York Legislature, no one could navigate a boat propelled by steam on any water in the State of New York without a permit from Fulton and Livingston. Ogden held such a permit, and under it was operating boats between New York and Elizabethtown, N. J.

Gibbons, under a permit from the Federal Government, was operating boats in competition with Ogden. He was enjoined by Ogden from navigating his boats across the State line into the State of New York. This injunction was affirmed by the Supreme Court of New York, Chancellor Kent rendering the decision. Gibbons carried the litigation to the Federal court upon the ground that the act of the New York Legislature, under which he was enjoined, was in conflict with that provision of the Constitution of the United States which gave Congress exclusive jurisdiction over commerce between the States. This plea was sustained by Chief Justice Marshall.

*Gibbons against Ogden* was one of the most noted cases ever coming before the Supreme Court, not only on account of the great issue involved but also on account of the great prominence of all the persons concerned. Gibbons was ex-mayor of Savannah, Ga., and also maintained residence in New Jersey. He was locally and nationally prominent. Ogden had been Governor of New Jersey and United States Senator from that State, and both Gibbons and Ogden had been prominent in promoting navigation. The attorneys employed in the case were both nationally and internationally known. Gibbons was represented by Daniel Webster, and by William Wirt, then Attorney General of the United States, and famed as the prosecutor of Aaron Burr. Ogden was represented by Pinckney, of Maryland, and Thomas J. Oakley, attorney general of New York. He was also represented by Thomas A. Emmet, the great Irish patriot.

Gibbons and Ogden had been partners at one time, but the partnership had ceased before the beginning of this litigation.

gation. During their copartnership they operated boats under Fulton and Livingston permits. Commodore Cornelius Vanderbilt was then in their employ, and there laid the foundation for amassing a colossal fortune. Water transportation was generally profitable in those days, though the charges were reasonable. Gibbons left an estate valued at more than \$1,000,000, principally accumulated in that line of trade.

Our waterway improvements have now been carried on for more than a century under the able supervision of the Chief of Engineers of the War Department. During this time there has been expended \$2,046,419,384.93, not including flood control. These figures include expenditures for both new work and maintenance to the present time. Of these expenditures, \$720,602,125.25 were upon seacoast harbors and channels, \$236,803,192.57 upon the Great Lakes, and \$1,089,014,067.16 upon inland and other waterways.

The President has now inaugurated a new policy with respect to the navigable rivers of the United States. Under this plan, the country is to be divided into seven planning zones, each to include one or more watersheds. The purpose and policy of the bill is set forth in section 1, as follows:

It is the purpose and policy of this act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, in order to aid and protect commerce among the several States, to strengthen the national defense, to conserve the water, soil, mineral, and forest resources of the Nation, to stabilize employment and relieve unemployment, and otherwise to protect commerce among the States, provide for the national defense, and promote the general welfare of the United States.

Hearings have not yet been commenced on this bill, but it is awaiting reports from the various departments of the Government to which it has been referred. I express the hope and belief that a comprehensive system will be worked out that will eventually place the United States in the forefront of the nations of the world in carrying out the laudible purposes set forth in the proposed act.

In this connection, I wish to call attention to the part performed by a former Member of Congress and former member of the Rivers and Harbors Committee in promoting the purposes now developing into this comprehensive scheme. The River and Harbor Act of 1922 contained an authorization for a large sum for a comprehensive survey of the Tennessee River. I was in the hospital when that bill was under consideration in the House and took no part in its preparation. After its passage by the Senate, I was minority conferee and supported the provision for the survey for the Tennessee.

The results of that survey by the Corps of Engineers of the War Department gave promise of a broader scheme of river improvement than had ever been undertaken by our Government previous to that time. When the river and harbor bill of 1925 was under preparation, provision was made for the survey of a large number of rivers, to be selected by the Chief of Engineers and the Federal Power Commission acting jointly. More than 200 rivers were selected and embraced in Document No. 308. These surveys have been completed on 199 of those rivers at a cost of more than \$10,000,000. Those surveys constitute the base of the comprehensive improvements now proposed to be carried out. The language in the River and Harbor bill of 1925, launching this movement, was as follows:

SEC. 3. The Secretary of War, through the Corps of Engineers of the United States Army, and the Federal Power Commission are jointly hereby authorized and directed to prepare and submit to Congress an estimate of the cost of making such examinations, surveys, or other investigations as, in their opinion, may be required of those navigable streams of the United States, and their tributaries, whereon power development appears feasible and practicable, with a view to the formulation of general plans for the most effective improvement of such streams for the purposes of navigation and the prosecution of such improvement in combination with the most efficient development of the potential water power, the control of floods, and the needs of irrigation: *Provided*, That no consideration of the Colorado River and its problems shall be included in the consideration or estimate provided herein.

The gentleman from Alabama, Mr. McDuffie, now United States District Judge at Mobile, but then a Member of Congress and of the River and Harbor Committee, was primarily

responsible for the proposal for the general purpose surveys of the rivers embraced in Document 308. He was a zealous advocate of the proposal and carefully considered and suggested the language in the bill of 1925 making the authorization. The ultimate success which I hope for the present movement will be largely due to the vision of Judge McDuffie.

Mr. Chairman, Presidents of the United States have generally been sympathetic with the improvement of our waterways to facilitate the movement of commerce. In this respect, President Franklin D. Roosevelt has been outstanding. It is no exaggeration to say that under his administration, river and harbor improvements have been advanced to an extent never before seriously considered. He has made a thorough study of the entire waterway situation and is familiar with every detail of it. His plans embrace a broader and more comprehensive scheme than has heretofore been inaugurated. So far as our rivers are concerned, his chief purpose is to convert them into agencies seeking to avoid waste, prevent destruction, and to secure the performance of every possible service to mankind. [Applause.]

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. COLDEN. Mr. Chairman, I rise to say in behalf of the other members of the Committee on Rivers and Harbors, that the gentleman from Texas [Mr. MANSFIELD] is one of the considerate Members of the House. One of the greatest pleasures that I have enjoyed as a Member of Congress has been to serve on this committee with him. I am sure that every Member of the House who has listened to his speech realizes the depth and breadth of his information on this question and I venture to say that no Member of Congress, no chairman of any committee, is better informed on the subject within its jurisdiction than our good friend and esteemed colleague, Judge Mansfield. [Applause.]

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. McCORMACK. I am sure my friend anticipates my question, about Boston Harbor. Will the gentleman advise me whether or not there is a provision for Boston Harbor in the bill?

Mr. MANSFIELD. That is to be offered as a committee amendment. It is not in the bill as printed.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. HOBBS. Mr. Chairman, I rise simply to thank the distinguished chairman of the Committee on Rivers and Harbors for the kind words that he just said with respect to our mutual friend, and the friend of so many Members of this House, Hon. John McDuffie, of Alabama. I am sure I speak the conviction of every Member of the House when I say that the distinguished present chairman of this committee is entirely too modest in failing to claim any credit for the statesmanlike design of the pattern of the bills which have been brought into this House from that committee. Both he and John McDuffie have wrought well in this specialized field. They both deserve the appreciative thanks of the Congress and of the Nation.

We glory in such skillful and devoted leadership, and we thank the gentleman from Texas for the constructive and statesmanlike program which he and the members of his great committee are putting forward. [Applause.]

Mr. SEGER. Mr. Chairman, before allotting time, I want to supplement what has been said here relative to the good work of the chairman of the committee of which I have the privilege of being a member. In the 16 years I have been a member of that committee I have worked with many chairmen, but I believe the present chairman is as well informed, if not better than some of his predecessors. It has been a pleasure to work with him, on account of his earnest desire, if I may say so, to keep down appropriations for rivers and harbors beyond what they might otherwise be if it were not for his great interest and research into the

merits of the bills that come before us. We take the recommendation very largely of the engineers, of course; but there is always a discussion in the committee as to the merits of individual bills, and I think it is due to his great effort that this bill is as small as it is, in view of the fact that there has not been a river and harbor bill in 2 years. I again compliment the chairman of the committee on his great work and upon the great speech which he has delivered. [Applause.]

Mr. MANSFIELD. Mr. Chairman, I want first to thank those gentlemen who have uttered such kindly words concerning myself on this occasion, and also to thank all of the members of the Committee on Rivers and Harbors, and other Members of the House for the many courtesies they have shown me and for the great deal of aid and assistance they have given in the performance of our duties in the committee.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LUCAS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, and had come to no resolution thereon.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 5394. An act to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes; and

H. R. 6958. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the following title:

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6692) entitled "An act making appropriations for the military establishment for the fiscal year ending June 30, 1938, and for other purposes", agrees to the amendments of the House to the amendments of the Senate nos. 24, 26 and 79; recedes from its amendments nos. 1, 47 to 77 inclusive, and 80; and also recedes from its amendment to the title of said bill.

#### RIVERS AND HARBORS BILL

Mr. MANSFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7051.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the fur-

ther consideration of the bill H. R. 7051, with Mr. LUCAS in the chair.

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MOSIER].

Mr. MOSIER of Ohio. Mr. Chairman, I rise for just a few moments to express the grateful appreciation of the people of the whole State of Ohio for the very excellent work that the gentleman from Texas, Judge MANSFIELD, and the Committee on Rivers and Harbors have done on this bill.

There are included in this bill five major Ohio improvements. Those ports which are improved form the gateway to the great steel empire which reaches from Minnesota down to Pittsburgh. The gentleman from Texas, Judge MANSFIELD, has been very indulgent with all of us, and so have the members of the Committee on Rivers and Harbors. As a result of the action of the committee on this bill, the city of Cleveland will start on straightening the Cuyahoga River, a river that was named by the Indian name Cuyahoga, meaning "crooked" in the English language. That river carries about 11,000,000 tons of freight a year, mostly iron ore, and has been the subject of deep concern to that portion of the State for almost a hundred years. So I say to you, Judge MANSFIELD, we are deeply appreciative of your efforts and the efforts of the other members of this very fine committee. [Applause.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, as one of the minority members of the Committee on Rivers and Harbors of this House, I shall not let this opportunity pass without saying a brief word in praise of the splendid chairman of that committee. I doubt if there is any Member of this House who has more first-hand knowledge of the navigable waters of the United States or river and harbor improvement than the gentleman from Texas, our courteous, considerate, cultured, and able chairman, Judge MANSFIELD.

My responsibility to the people I represent and my State would not be fully discharged if I did not raise my voice in favor of the bill now before the House (H. R. 7051), the rivers and harbors bill for 1937.

Like a great network spreading its fiber over the waters of the world, the water-borne commerce of this Nation and of any nation is the only method and the only means by which can be accomplished the exchange of goods between the nations of the world; and so important has it become to the United States that during the year 1935 the commerce of this Nation rose to the stupendous sum of 453,000,000 tons.

To the Members who come from the Northwest, representing districts in States that border on the Great Lakes, it ought to be, and I am sure is, of some interest to you to know that of that great amount of commerce, between one-quarter and one-third originates and moves on the breast of the fresh water seas, the Great Lakes.

The projects in this bill are many. While it has been stated by the gentleman from Arkansas [Mr. DRIVER] that it includes 119 projects, by amendment the number is about 125; and, in addition to that, the bill also includes about 125 surveys, so that 250 different items are included in the rivers and harbors bill, the first bill in 2 years to be presented to the Congress of the United States by the Rivers and Harbors Committee. Therefore the bill represents the work of 2 years on the part of your committee.

I call the attention of the House to the further fact that while the bill of 1935 carried \$660,000,000 in authorized projects this bill carries less than \$34,000,000, or about 5 percent of the amount in the bill 2 years ago. It is the smallest sum included in a river and harbor bill since 1920. There is a reason for that, and that is that a great many of the projects on rivers and harbors have been paid for or had funds allotted to them, not only by specific appropriation but also by emergency-relief funds.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. MANSFIELD. The bill at that time was a 5-year accumulation and this is a 2-year accumulation.

Mr. DONDERO. Yes. The Chairman is entirely correct about that. The bill of 1935 carried 5 years' work. This bill carries but 2 years' work.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. DOWELL. Is it contemplated that any other money will be used in addition to the amount in this bill on these projects?

Mr. DONDERO. I may inform the gentleman, of course, that this is not an appropriation bill.

Mr. DOWELL. I understand that.

Mr. DONDERO. This is an authorization bill, and the amount of money that will be required to carry on these projects will have to be appropriated by the proper committee of the Congress.

Mr. DOWELL. But will any other moneys be used aside from the moneys appropriated in these authorizations?

Mr. DONDERO. I am not able to answer that question. Perhaps the chairman of the committee may be more fully informed on that subject.

Mr. MANSFIELD. I will say that I do not know of any funds outside of the regular appropriations through Congress. Formerly we had Public Works Administration funds.

Mr. ENGEL. I understood that the \$34,000,000 or whatever the amount may be, was the cost of these projects.

Mr. DONDERO. That is the estimated cost of the projects in the bill. That money, however, will have to be spread over a number of years in order to complete the work. I understand that no part of it will be appropriated this year.

Mr. ENGEL. And that appropriation may be covered either in the rivers and harbors appropriation bill, or in the nonmilitary activities bill of the War Department, or it may come from relief funds?

Mr. DONDERO. From one of those sources.

Mr. ENGEL. But the total cost of the authorized projects is \$34,000,000.

Mr. DONDERO. Approximately that.

The bill also carries an item for an airplane base in the Pacific Islands which will serve not only our commercial requirements but the needs for trans-Pacific mail as well.

Since the beginning of the Government, it has been shown that water-borne commerce is the cheapest in the world; and I trust that the time is not far distant when the wisdom of this Nation and that of our friendly neighbor across the border, Canada, will conclude a treaty which will make it possible for the unobstructed passage of water-borne commerce on the greatest fresh-water seas on earth, the Great Lakes, connecting them with the oceans of the world, by completing the St. Lawrence seaway. Whatever we do to improve the navigation and commerce of the country makes it just that much easier to distribute the products of farm and factory to the consuming public, the people who need them. When we make it easier to transport such products we also make it possible to provide such products at lower cost.

The bill now under consideration comes to us with the unanimous approval of every member of the Rivers and Harbors Committee. I desire to point out to the Members who come from the Great Lakes States particularly that in this bill are 19 projects authorized, the estimated cost being about \$3,500,000. Although the Great Lakes furnish between one-quarter and one-third of the water-borne commerce of the United States, nevertheless in this bill we receive but one-tenth of the amount of work provided. I desire to point out, however, that sectionalism, partisanship, and politics have no place in a rivers and harbors bill. It is a subject that affects the general welfare of the Nation as a whole and not any particular section of the country. The Members of the House representing the most inland States are interested in this bill for the reason that the products of their States

and their districts may have to find their way to the markets of the world and to the ports of the country not only by rail transportation but also by water transportation.

The conclusions as to the merit of the projects included in the bill are not reached without careful consideration. Every item set forth within its pages has been shown to be meritorious and worth while, as well as economically sound. Not only has every project satisfied the members of the committee, but it has also borne the searchlight of the Board of Army Engineers. I doubt if this Government has any other arm or branch in its service which serves better or more efficiently than the Board of Army Engineers serves this Nation in the projects which it recommends to the Rivers and Harbors Committee for the consideration of Congress. [Applause.]

The amount involved is spread over a period of years; and, as I said before, is small. It represents a moderate sum in comparison with the importance of the work involved and the good it will do. There is not a Member of the House who will say that he is not interested, for the reasons I have already stated.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 1 additional minute to the gentleman from Michigan.

Mr. DONDERO. The question of national defense is interwoven with the commerce of the country; it is a part of this bill; and I trust that the House will give its careful attention to the items mentioned and described, that the bill will have the unanimous support of every Member of this body, and that it will pass when the committee reports it to the House. [Applause.]

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, since my service in this House began I have had a growing conviction, a conviction that increases as the years go by, that the average Member of the House is too modest a personality. When it comes to matters involving his own district he is, of course, rather aggressive; but when it comes to asserting his share in the larger affairs of government he is too modest.

Today, in the chairman of this committee, we have an example of the finest flower of parliamentary development, a real technician in his field, a man who knows the national transportation picture thoroughly yet bears himself with extreme modesty. Speaking from the Republican side of the aisle, I want to say that it is a matter of regret to me that the distinguished occupant of the White House did not call into the executive service and consult more intimately men of the splendid technical equipment possessed by the chairman of this committee. The hope of popular government rests in the continuation of the Mansfield type in the public service. [Applause.] In this House, may I say in passing, there are a hundred technicians in their own fields developed through service on committee who are infinitely superior in the technique of their particular committee, in their loyalty to the public service, and in splendid intelligence to many of the tyros whom the distinguished President has placed in high office. I say to you of the majority that although the soothing effect of Jefferson Island is still in your blood, be mindful that you represent a coordinate branch of the Government, and that in technical equipment you are superior to the tyros, the honest Harolds, and the others of his ilk, by virtue of your long years of faithful service to the people. I say to you on the majority side of the aisle that the fault is not in your stars; it is in yourselves; you make yourselves the underlings.

Mr. Chairman, this bill represents one of the most useful contributions to national development, national growth, and to the comfort and security of the individuals throughout all of America. My friend, the gentleman from Michigan [Mr. DONDERO] gave us some figures a moment ago. The items of tonnage referred to the tonnage carried over the waterways which have been improved by this and past

Congresses run into the stupendous sum of 599,212,000 tons in 1935, the figures of the last year available. That includes the Pacific, the Atlantic, the intercoastal waterways, the inland waterways, and the Great Lakes system to which he referred. I repeat that that is one part of the public domain that is still serving the public free from the interference of commissions and free from the interference of bureaucracies.

The gentleman from Michigan [Mr. DONDERO] made some reference to the St. Lawrence seaway, and I desire to emphasize some of his remarks. The treaty, which would make possible this great project, is now in the hands of our Canadian friends, and it is said that they are favorable toward it. I am looking forward to the day when the treaty will be returned to the Senate and its favorable consideration.

The St. Lawrence seaway, of course, has two objects, namely, navigation and power. The construction of this seaway will admit ocean vessels from the Atlantic to the Great Lakes. Ratification of the treaty will add 3,500 miles to the coast line of the United States. It brings the Atlantic Ocean 1,000 miles inland.

It will lessen the economic handicaps of adverse transportation costs to the vast area in the interior of the American Continent. This area embraces more than 22 States. Within these States are more than 40,000,000 people who gain their livelihood from agricultural production and manufacturing. It cannot be denied that the people of this inland section have their progress retarded both from manufacturing and agricultural standpoints by handicaps in transportation.

The building of the Panama Canal left them marooned in the interior of the continent. It placed on them unfair handicaps in the matters of transportation. Never in the history of the Republic has a project been offered that was so fruitful of benefits to the whole country as the St. Lawrence seaway. Its consummation will be in the interests of a real nationalism.

In passing, may I also say to you that by virtue of the development of water transportation by the Rivers and Harbors Committee and in turn by this Congress, that gasoline is selling for an average price of 17 cents in America, whereas if this type of transportation had not been developed and perfected we would be paying an average of 39 cents for every gallon of gasoline sold in America.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. PARSONS. The average price of plain gasoline without ethyl or special improving processes would be even 2 cents less than the gentleman's statement, and would be still lower if it were not for the gasoline taxes.

Mr. CULKIN. Yes.

Mr. PARSONS. And would be still much lower than that if it were not for the gasoline taxes.

Mr. CULKIN. I think that is undoubtedly true. That reasoning applies to every phase of farm produce, bulk commodities and raw materials, transported over our waterways.

Mr. KITCHENS. Will the gentleman yield?

Mr. CULKIN. In a moment. A discussion of the rivers and harbors bill would be incomplete if some reference were not made to those great public servants, the Army engineers. During my service on the Rivers and Harbors Committee I have been amazed at the work of the Army engineers. The efficiency and devotion of this group to the cause of America is in large part the basis of our national development. The future engineers were the intellectual leaders at West Point. Under the stress and discipline of this system they were the dominating mental and physical types, and as such were selected for the engineering service. Originally the engineers pioneered the West, built railroads, bridges, and performed other notable service in peacetime. It is, of course, a combatant branch of the United States Army in times of war.

The Nation has expended hundreds of millions of dollars for pioneering purposes, for the improvement of rivers and harbors, and for flood control. This work has been highly

technical in character, requiring the exercise of the highest engineering skill. It has all been accomplished successfully, and the Nation, which hears little of this group of technicians, has reaped incalculable economic benefits from their work. It is interesting to note that while all the millions of dollars appropriated for these purposes, running beyond the billion mark, has been expended under the direction of the engineers, there has been but one case of speculation in 110 years of this service. The engineers are the real field marshals of the public domain. They combine extraordinary industry and power of research with the highest order of intellect. Through my 10 years on the Rivers and Harbors Committee, I have been brought in contact with this group of remarkable public servants and have been amazed by the breadth and clarity of their findings on all questions concerning waterways and economics.

I want to call the attention of the Members to the fact that for the past several years there has been a Nation-wide effort through various types of lobbying, perhaps none of it yet venal, to write off and destroy water transportation in fact and in the minds of the people. Every subsidized economist takes a fling at the efficiency of water transportation, upon which I say the very life, the very security, and the comfort of America depends. Today we have pending before one of the committees of the House a bill to place water transportation under the jurisdiction of the Interstate Commerce Commission. May I say in passing that we placed truck transportation under the Interstate Commerce Commission, and immediately truck transportation in most parts of the country doubled. The Interstate Commerce Commission now has jurisdiction where there are joint water-and-rail rates. May I call attention to what the Interstate Commerce Commission has done with water rates where they have had jurisdiction of that matter?

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield to the gentleman 10 additional minutes.

Mr. CULKIN. Mr. Chairman, a report of the Interstate Commerce Commission recommends, and based on what has gone before, it will be adopted, a raise of \$1.85 per hundred pounds from New York to New Orleans. The existing rate is about 85 cents. The rate from New York to Buenos Aires, 5,757 miles, is 98 cents. Bear in mind that the distance between New York and New Orleans is approximately 1,800 miles. The freight rate per 100 pounds from New York to Cape Town, 6,786 miles, is 90 cents per hundred pounds, and so all along the scale. To Kobe, Japan, over 10,000 miles, the rate is 90 cents. Yet the Interstate Commerce Commission is prepared to write into law, and it will be law if you give them jurisdiction of this question, a provision making the rate to the American people, because they are the ones who pay the freight, from New York to Gulf ports \$1.85 per hundred pounds.

I wonder sometimes just who the Interstate Commerce Commission thinks it serves. I am wondering if it thinks it has a definite direction from Congress to destroy water or other types of transportation by raising the rate up to the level of the rail rate, and whether or not it considers the fact it is the representative of the people.

I now yield to the gentleman from Arkansas [Mr. KITCHENS].

Mr. KITCHENS. In connection with the question of water transportation and reducing and holding down the price of gasoline, may I say you can ship 100 pounds of gasoline from Memphis, Tenn., to El Dorado, Ark., for 15 cents.

Mr. CULKIN. By water?

Mr. KITCHENS. By rail. This is because they ship the gasoline up the Mississippi River and load it at Memphis. But if you ship a hundred pounds of gasoline from El Dorado to Memphis it costs you 30 cents. That is the difference. In other words, the country west of the Mississippi River is discriminated against in that we have to pay twice as much in freight rates.

Mr. CULKIN. That is always the fact; and, as the gentleman suggests, where there are competing waterways the

saving to the people is tremendous. May I say in that connection, in my own State it has been stated by excellent economists that the mere presence of the Erie and Oswego Canals, if not a pound of freight moved over them, results in a potential saving to the people of the State of \$50,000,000 a year.

Mr. KITCHENS. The refining company in Eldorado, Ark., is located 36 to 40 miles from the Ouachita River. There is a picture in the paper this morning which shows that company has gone to the expense of thousands of dollars in order to build a loading place on the Ouachita River. They are going to haul the oil 40 miles by truck, then ship it down the Ouachita River. It will take 25 days for them to move that gasoline from El Dorado, Ark., to Memphis, yet it is cheaper for them to do that than to utilize the railroad from El Dorado to Memphis.

Mr. CULKIN. Except for the interior waterways and the inland waterways, which this bill develops, the people's economic life and their comfort would be strangled.

Mr. MANSFIELD. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Texas.

Mr. MANSFIELD. I may say to the gentleman that the States of Texas and Oklahoma produce approximately one-third of the cotton crop of the United States. Practically none of it is milled in those States. It has to go into either the export trade or to the New England or Eastern Atlantic coast mills. The rate by rail from Texas to Massachusetts mill towns is on an average \$1.54 a hundred pounds, or \$7.70 a bale. The ship rate from Galveston to those points is 35 cents a hundred pounds or less than \$2 per bale. If the bill the gentleman refers to is enacted into law and these rates are equalized, the cotton farmers of Texas and Oklahoma especially will have to pay approximately \$5 a bale additional in transportation charges on each bale of cotton.

Mr. CULKIN. Exactly; and that is the definite trend of the Commission's decisions.

Mr. SHORT. Will the gentleman yield?

Mr. CULKIN. In a minute.

The Interstate Commerce Commission should be led to understand by some procedure that it represents the public and that that was the conception of the Commission when it was established in 1887. But, thus far, as near as I can analyze the situation, it does not consider the public at all. It is railroad minded to the last degree, and if the Congress of the United States does not watch out, the country will find itself in the grip of a transportation monopoly which will be murderous not only to the farmers but to the city dwellers whose comfort will be seriously affected.

Mr. PIERCE. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Oregon.

Mr. PIERCE. The gentleman referred to the trend of the Interstate Commerce Commission's decisions. Do those decisions not show clearly that the object it has in view is the fixing of such a rate structure as to pay dividends upon stocks and bonds which, if the water was squeezed out of them, would result in lower freight rates?

Mr. CULKIN. I agree with the gentleman, it is an unpleasant topic and reminiscent of an evil past. The country, under the theory of the Interstate Commerce Commission, is now paying for the past financial sins of the railroads, the Jay Goulds and Jim Fiskes and their ilk. Even in these days the so-called Wall Street banker, when he gets his teeth into a situation, always pours in three or four million dollars of water for his own purpose and for his own fee. I have no hesitancy in saying to the gentleman that at the present time in the railroad set-up, with a capitalization of \$26,000,000,000, there is at least \$8,000,000,000 of water.

Mr. PIERCE. At least one-third.

Mr. CULKIN. On the mistaken and unholy theory of the Interstate Commerce Commission, the people of the United States have to pay freight rates based on that capitalization. To this end they are going to drag the trucks up to the cost of railroad transportation and drag water transportation up to the level of the trucks.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from New York.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. RANKIN. As a matter of fact, the policy which has been adopted of reducing freight rates to water points in order that the railroads may compete with water transportation, and which has been carried through Congress in the Pettengill bill to reduce further freight rates to water points, is simply discriminating against the people in the interior. We in the interior, who do not live on the rivers, are with you on this legislation, but we are paying a terrific penalty in exorbitant freight rates as a result of this policy, which Congress has not manifested an inclination to check but has promoted by its passage of these measures which further discriminate against the people in the interior.

Mr. CULKIN. I agree with the gentleman. I think Congress took a definite step back, and went back half a century, when it passed the Pettengill bill. [Applause.] Here is a more serious menace. Preliminarily may I say in that connection that the whole theory of water transportation, the whole theory of the engineers, the economic theory on which water transportation is brought to this floor and passed is that the savings in the cost of transportation are passed on to the people. I say that water transportation is the last of the public domain which the people have in an unhampered and unadulterated form. If the people pass this on to a bureaucratic outfit—I do not say a venal but an uneconomic outfit from the standpoint of people like the Interstate Commerce Commission—the American people will be in the grip of a monopoly alongside of which the Standard Oil in its lush days was a white angel.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. CULKIN. I want you to think over what I have said about this question. It is not pleasant to inveigh against the railroads. They are doing a better job than they have been doing. They have their function and they have their place in national economics, but water transportation and truck transportation also have their place in the economics of the people. No one type of transportation should be permitted to surround, engulf, and destroy the others to the detriment of all the people.

Mr. PIERCE. Will the gentleman yield for one more question?

Mr. CULKIN. I yield.

Mr. PIERCE. Is it not a fact that freight rates have gone up nearly one-third since the World War? It is true.

Mr. CULKIN. Yes; I think that is true.

Mr. PIERCE. Why? To pay dividends on this watered stock.

Mr. CULKIN. There is one case on the books where steamers left Florida carrying fruit several days a week. On those days the Interstate Commerce Commission lowered the rates by rail. The thing is barefaced, it is indefensible, it is hopelessly destructive of the interests of the farmer—East, West, North, and South. It is destructive of the consumer. I say to Congress in that connection, "Watch your step." [Applause.]

[Here the gavel fell.]

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. Yes.

Mr. ROBSION of Kentucky. I was very much interested in the statement of the gentleman that there is \$8,000,000,000 of watered stock in the capitalization of the railroads. What is the capitalization of the railroads of this country?

Mr. CULKIN. Twenty-six billion dollars.

Mr. ROBSION of Kentucky. What is the physical valuation as expressed under the La Follette Act?

Mr. CULKIN. I think that was entirely a synthetic valuation. It was based on the reproduction value and represents, of course, little more than sheer economic nonsense.

Mr. ROBSION of Kentucky. It cost about \$100,000,000 to make the valuation. I am wondering to what extent the valuation was correct.

Mr. CULKIN. I think the theory of it is wrong. I think the valuation of the railroads would be very high at \$18,000,000,000.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield such time as he may require to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, the improvement of navigation upon the various rivers of the country is one of the most important duties of the Congress, a duty which down through the years the Congress has discharged with credit to itself and untold benefit to the Nation. I, too, desire to add my congratulations to the Rivers and Harbors Committee and to its distinguished chairman, the gentleman from Texas [Mr. MANSFIELD], for the excellence of the legislation which is offered for our consideration today.

Because of the authorizations contained in this bill which have to do with the promotion of navigation upon the Sacramento and San Joaquin Rivers in California—the great water arteries of that State—I am deeply interested in the ultimate passage of the legislation we are considering at this moment.

Not only will the interests of navigation be served but, as a consequence of the improvement of these two great waterways, a control of the water resources of California's Great Central Valley will be achieved—a control which is vital to the future development of this great Western Commonwealth.

In river control lies the hope of the ultimate realization of our "dream of dreams", the Central Valley water project of California. The enactment of the technical provisions of this bill will do much to translate that which is today but a paper conception into a pulsating actuality, a boon to mankind, indeed.

Mr. Chairman, notwithstanding the impression that may have been created to the contrary, there is not any shortage of water in the Great Central Valley of California. There is plenty of water there to adequately supply all of the domestic, agricultural, and industrial demands as well as the necessities of navigation.

The problem is merely one which has to do with the scientific placement upon the proper lands of the waters which nature has so abundantly supplied.

The Great Central Valley in the north produces more water than is needed by the people who reside there. In the south there is not enough water to meet the minimum necessities of the people, to adequately care for the thousands of settlers who have already established themselves in that remarkably fertile area.

So the problem is merely one of collecting the water where it is plentiful and taking it to the places where it is scarce; and in order to produce this result so devoutly to be desired, the project has been devised. The Central Valley water project is a complete, self-sufficient, self-sustaining, self-operating single unit, though it is composed of a variety of different works of various kinds.

The Central Valley water project is the answer to the one overshadowing problem of this great inland empire, that is, the efficient spread of the water over all of the irrigable lands through the length and breadth of the Great Central Valley of this golden State of romance.

In the control of the water and its transport to the places where it can be most profitably used, certain things are accomplished which are in themselves subsidiary to the main objective but which are, nevertheless, highly valuable in the development of the State as a whole.

First. Control over the flood menace will be achieved by virtue of the construction of two great dams, one on the San Joaquin River in the south and the other on the Sacramento River in the north. From these dams the State will obtain protection from an annual property loss, which has mounted into millions of dollars during the last few years.

Second. In the obtaining of that flood control, the holding back of waters during the flood season, the releasing of waters in a regulated flow from the river's source in its race to the sea, the navigability of these two great rivers will be greatly improved, stabilized, and extended far beyond the

highest point now reachable. The regulation of the flow of the Sacramento River will render that great river navigable some 50 or 60 miles beyond the point to which it is navigated today.

Third. The regulation of the natural flow of water to the sea through the control established by the construction of the dams above will insure a steady pressure of fresh water against the salt water of San Francisco Bay, thereby terminating the saline menace which now threatens the destruction of some 400,000 acres of delta lands, the finest in the world, all of which are today in danger of being rendered absolutely unusable by man.

Fourth. Incidental to the main objective of the great dam and reservoir on the upper Sacramento River of furnishing urgently needed water supplies for many purposes, a billion and a half kilowatt-hours of hydroelectric energy will be generated, one-fifth of which will be consumed in operating the project, the balance to be sold for public or private use. That there will be a ready market for the electricity, there can be no question, as the great privately owned public utility which is now serving northern California has offered to purchase the entire output as fast as it can be generated. The profits from this phase of the enterprise will add greatly to the certainty of success of the project, insofar as its financial feasibility is concerned.

Control and regulation of flow having been established, the surplus waters of the Sacramento Valley in the north will be taken to the south portion of the San Joaquin Valley, where the water is sorely needed today, and where, if water is not produced in the near future, a great land area, consisting of some 450,000 acres, will, because of an increasing scarcity of waters formerly plentiful, gradually return to the conditions of the desert; that is, to conditions under which it will no longer be possible for man to profitably till the soil.

Now, I want to emphasize one thing about this project. It is no longer necessary to defend it in respect to its engineering feasibility, because it has been investigated, time and time again, by engineers of the greatest ability, representing various public and private agencies, and there has not been one of them who has rendered an adverse report.

There has not been a single report rendered by a financial expert, who is willing to say over his signature, that the project is not financially feasible. All are in agreement, lavish in their praise.

The approval of this project by the committee, its early construction, is of untold importance insofar as the development of the State of California is concerned.

Without it the steady march of civilization in this great western Commonwealth will be halted; the further development of this Pacific coastal State will fall into retrogression. It means that the thousands upon thousands of Americans for whom we had hoped to provide homes will have to seek homesteads elsewhere.

It is natural that you, if your consideration of our great problem is superficial, will jump to the conclusion that this is merely a California development; that we are asking for something for ourselves alone. In this connection let me point out that the estimates of the Bureau of the Census demonstrate convincingly that this great valley will in but a short time provide homes for millions and millions of people who do not live there today. When we ask for governmental assistance in the development of this valley we are asking not so much for the improvement of California for Californians alone, as for its development for the benefit of all of the people of the United States, for the tens of thousands of people—yes; the hundreds of thousands of people from all over the Union that are coming to California to establish their homes in its Great Central Valley.

So when the Government offers in this instance its helping hand to California, it is in fact furthering a plan which will eventually provide homes not only for California, but for an untold number of people who are destined to come to California to settle upon the lands which this inspiring project will make available.

It is a great enterprise. Today, it contemplates merely the saving of land which is already in a high state of pro-

ductivity. In the future, when the demands of that day require it, 10 or 15, 20 or 30 years from now, the plan may be extended to include lands which are unused today, but that is only remotely within the contemplation of those who are pleading for this project. Since no new lands are to be immediately brought into use the fears that have been expressed by some that increased agricultural production will but add to the embarrassing surpluses which already burden the Nation are quite unfounded. Even if new acres were to be brought into production, this result which is giving our people such concern, could not develop for the reason that very few of our California crops are in competition with the products of other States which are suffering in value because of overproduction. The crops raised in the Great Central Valley are specialized crops in the production of which we have practically no competition from without our borders. We are producing crops which we sell to the entire world, not to the East alone.

We would have to multiply many times over the acreage now devoted to our specialized crops, produced, as they are, on irrigable lands, before we will approach the production of a surplus in any one of them.

Certainly, if the construction of the Central Valley project would appreciably embarrass the agricultural situation in the Nation, the opposition of the Department of Agriculture would have been long ago manifested. On the contrary, the Honorable Henry A. Wallace, the Secretary of Agriculture, has frequently stated that neither he nor the Department over which he presides has any objection to the immediate development of the plan. In support of this contention I quote a paragraph from a letter I received from Mr. Wallace but a few weeks ago:

DEAR MR. GEARHART: A couple of years ago I indicated to persons interested in the Central Valley water project that I thought it unobjectionable and, in general, in line with the desirable policy of taking care of people already on irrigated lands. It is therefore our purpose not in any way to object to the project.

A careful reading of this pronouncement ought to dispel all doubts and fears that anyone may have heretofore entertained that the construction of this great project would adversely affect the general agricultural situation.

This is one of the greatest projects which has ever been devised by man for the improvement of conditions of mankind. When it is carried into fulfillment, it will indeed make the valley of the San Joaquin blossom as the rose, make of it all that man has dreamed of—man's paradise on earth.

A hasty review of these great benefits which will flow from the construction of the Central Valley water project in its entirety convinces us that it is indeed worth while to improve the navigability of California's two greatest rivers, contributing as this work will to the attainment of so many coordinated facilities. I, therefore, beseech your favorable consideration of this bill which the Rivers and Harbors Committee offers to us for our consideration today. [Applause.]

MR. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

MR. DITTER asked and was given permission to revise and extend his own remarks in the RECORD.

MR. DITTER. Mr. Chairman, the Nation is in a grave crisis. Justice has been flouted. For months lawlessness has been rampant. Properties have been illegally seized and held. Incalculable economic losses have been inflicted upon wage earners, businessmen and women, upon the whole people. Bombings, shootings, riots, defiance of court orders and of the duly constituted law-enforcement agencies are matters of daily news in the press of the country. Marauders have marched upon and have terrified entire communities. Men have been killed, women have been wounded, little children have been injured. The laws have been scoffed at and violated times without number. Thousands of men and women are being denied their constitutional rights of protection as they seek to follow peacefully their vocations in an effort to make a living for themselves and their families. Power systems, water systems, transportation systems, fire-protection systems, and even the

United States mail service have been disrupted; and the air is filled with threats of more depredations to come. Terrorism pervades the industrial field in every section of the country.

For months the Secretary of Labor has given by word and deed aggressive encouragement to the groups who have been perpetrating these outrages. Now the citizens of many States are organizing themselves into vigilantes and arming themselves through sheer desperate necessity for self-protection in the face of the break-down of duly constituted law-enforcement agencies.

Congress and the whole Nation have for months been demanding that the Federal Government move to end this reign of lawlessness and anarchical industrial disorder. The country has been waiting for the President, with the influence of his high office and the power of his prestige, to speak the words which would recall these lawless elements to sanity and order.

Mr. Chairman, the mountain has labored and brought forth a mouse!

Finally, the President of the United States, after long, silent acquiescence, has no word of his own to speak, but must needs go back to William Shakespeare for the words to express his attitude:

A plague o' both your houses!

And no sooner had the words fallen from his lips than his secretaries were scurrying about explaining that he did not mean the C. I. O. or John L. Lewis, but he meant those engaging in violence and those who will not submit to coercion and sign contracts to avoid these lawless conditions.

With the urgent need for a forthright stand, a firm declaration that law and order must be upheld, that orderly and lawful procedure must be followed by both employer and employee, the President gives voice to no stronger statement than "A plague o' both your houses." The country is disappointed. It had the right to expect a positive declaration. It had the right to expect candor, high moral courage, and perfect frankness. It had the right to expect that the persuasiveness of the President would be exercised for the maintenance of law and order. Disappointment and foreboding are its portions. Industrial differences provide no excuse for mob rule, nor for the wanton destruction of property, nor for the defiance of accepted rules of law and order.

The blessings of liberty depend to a large degree upon domestic tranquillity, and domestic tranquillity depends upon the maintenance of law and order. The protection of the lives and property of the citizens against acts which are in violation of every established rule of society is a duty of government. Representative democracy does not mean mob rule. Liberty does not mean license. Obedience to law is still the heart of self-government, and respect for law still determines the capacity of a people to govern themselves. If self-government is to be perpetuated, order cannot become anarchy, might cannot be right, and the defined processes of established government cannot become the riotous confusion of rebellious barbarism.

The President has never been at a loss for words with which to lash the money changers. He has never lacked a vocabulary with which to denounce the economic royalists. He has never had to hunt for phrases with which to condemn the tax evaders. He has never been at a loss for cutting expressions with which to castigate those who opposed him. Why is it now, knowing, as he does, that a firm declaration for law and order from him would end this reign of terror and would restore the dignity of the law and the stability of government, why, I ask, can he find no statement stronger than "a plague o' both your houses"?

Have we come to the point where the President does not dare declare for law and order? Have we come to such a pass that the President of the United States, because of political ties and obligations, does not dare act to uphold the constitutional rights of our people?

The country has looked to the President to end this intolerable condition of affairs by a determined declaration. He has thus far disappointed the Nation which believed in

his courage, his fairness, and his concern for the orderly processes of government.

Does the President fear to speak out in this crisis? For him to declare for law and order, to condemn lawlessness and terrorism, does not necessitate his taking sides in the conflict. It does necessitate his being the spokesman for the millions of helpless consumers, the unprotected and unorganized householders, the small business men and women, and the thousands of industrious workingmen who are being daily made the victims of these lawless groups of industrial marauders who are spreading terror under the cloak of labor organization.

The peace of this Nation is in peril, and the time has come for plain speaking. Does the President intend to take a firm stand for law and order, and if not, what is it that seals his lips?

Is this menacing condition to be permitted to grow worse and worse until a dictatorship under a declaration of martial law is invited? Does this account for the Presidential silence?

Does the President condemn this reign of terror, or does he regard it with complacency, if not acquiescence? The Nation is entitled to know. [Applause.]

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. JOHNSON].

Mr. JOHNSON of Minnesota. Mr. Chairman, the bill as it is before the House today, insofar as Minneapolis is concerned, is not complete, but this is no fault of the chairman of the committee [Mr. MANSFIELD] or the members of the committee, who have been untiring in their efforts.

The 9-foot channel will be completed during the latter part of next summer, when they will impound the water above each of the 26 dams that will be completed at that time; but it appears that the 9-foot channel in Minneapolis will only come to the Washington Avenue Bridge, which is a mile and a half from the nearest point in the industrial area of the city.

In order to bring the Mississippi River and the 9-foot channel up to a city of half a million people, which is the head of navigation, one project will have to be completed in addition to the work that has been done on the river, and this is the building of two locks through St. Anthony Falls.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. MANSFIELD. To carry the navigation channel up to the point the gentleman speaks of would carry it above St. Anthony Falls, would it not?

Mr. JOHNSON of Minnesota. Yes; it would. It would carry it above St. Anthony Falls, and it was previously thought, perhaps, not practical from an engineering standpoint because of the numerous bridges above the falls, to bring the 9-foot channel up into the upper harbor; but now, due to the development of Diesel-powered tugs, you can tug your barges into the upper harbor without changing the bridge construction in that area. The Army engineers have not completed the report on this project, and, of course, the committee does not desire to incorporate such an amendment in the bill until this report has been received from the Army engineers.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. ANDRESEN of Minnesota. Does the gentleman propose to offer an amendment to this bill to include that part of the river near St. Anthony Falls?

Mr. JOHNSON of Minnesota. I may say to the gentleman from the first district of Minnesota that such a bill was introduced at the beginning of the session, and if an amendment were to be offered today it would have to be offered at page 12, line 23, but I do not believe the committee would accept such an amendment, and I withhold offering the amendment because of the fact that the report of the engineers has not been received by the committee.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield.

Mr. CULKIN. Does not the gentleman think the more orderly procedure would be, in view of the fact the gentleman is going to get a report shortly, to put the amendment on in the Senate, if it is approved?

Mr. JOHNSON of Minnesota. Yes. The only reason I am bringing this up today is because of the fact that you will have spent in 1933, \$148,000,000 to put in a 9-foot depth in the Mississippi River, but the big city above St. Louis is Minneapolis, and Minneapolis yearly ships 10,000,000 tons of freight, of which about 55 percent is available for water transportation. So it seems to me good business, if you are going to make the \$148,000,000 bring a real, economic return, to bring the river up to the industries, up to the mills of Minneapolis, up to the factories, and up to the cold storage houses above St. Anthony Falls, and I would like to have the RECORD contain this statement, because the Ohio River yearly ships 20,000,000 tons, and even with a 6-foot channel, the Mississippi River, which, at low water has only a 5-foot channel during the summer, last year carried over 1,500,000 tons. We have great faith in the Inland Waterways Corporation, under Major General Ashburn. They have done a good job, and the Army engineers have done a good job, but to complete this real job, the House and the Senate, after the report of the Army engineers is in, should extend the channel to the north limits of Minneapolis and put the 9-foot channel right up to the industries of the city of Minneapolis, which has a population of half a million people. [Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I probably should discuss the bill without taking the time to make the statement which I am going to make, but I could not help but be reminded a few moments ago, when the gentleman from Pennsylvania [Mr. DITTER] was addressing the committee, of something that happened only a few weeks ago. When the so-called antilynching bill was before the House, I made the statement that if the good Lord would save the South from our so-called reformers to the north of us, I thought we would recover, and at the same time it would give those gentlemen more time to look around and discover the terrible conditions growing and existing in their own back yards. I regret that the conditions are as they are today, but I am delighted they have found time to give them some thought and I hope they will be able to work the problems out satisfactorily.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I cannot yield at this point. I say that merely because I somehow dislike to hear a man get up and try to throw dust in somebody else's face.

With reference to the river and harbor bill, I am interested to report this fact to the House. That in the \$34,000,000 worth of work covered in this bill, there are 37 projects involving less than \$30,000 each. That to me is a very significant fact. It shows that not only the Rivers and Harbors Committee, but the Corps of Army Engineers are interested in developing the small projects which take care of the small communities and give the man with a small boat an opportunity to make a better living, and to serve in a better way and at the same time conserve and make more available our natural resources.

I could mention one little harbor in my district—Atlantic, N. C. The improvement cost only approximately \$15,000. The project was pushed along by a public-spirited gentleman named Capt. Jim Morris. He believed in it, and finally the engineers made a favorable report. On the first day that little port was open the amount received from the sale of fish alone over that dock was over double the cost of the entire project, and over 200 boats called into that port. So one can see the extent of the benefits to be derived from these small projects.

Let me say a word now about the Army Engineers. In my opinion they are one of the most efficient agencies in the Government. They have cooperated 100 percent with the Rivers and Harbors Committee and with the chairman

of that committee. I would hate very much to see anything take place that would in any way disturb the organization to which I refer. They are doing a fine piece of work; they are giving proper attention to the needed waterways; and they are approving waterways that are carrying freight and paying to the users a rich dividend. Not only that, but I may also say they are in operation, and in case of war they are most familiar with their work and ready for action at all times. They, too, are entitled to a great deal of credit for this bill, and that would not in any way detract from the credit due our most efficient chairman, who, in my opinion, knows more about the waterways in the United States than any man in it. [Applause.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman, I consider the bill now before us one of the most important that has been before the House at this session of Congress. It is a broad and comprehensive program of waterways development in our country, which will carry these developments to practically every part of the country where waterway possibilities exist. The authorization is very small comparatively speaking, only about \$34,000,000.

#### ARMY ENGINEERS EFFICIENT

I was particularly impressed by the statement made by my colleague from North Carolina [Mr. BARDEN] concerning the efficient manner in which the Board of Army Engineers operate in river and harbor matters. I should be very much displeased to see the Congress in any manner dislodge the existing functions and powers now handled by the Board of Army Engineers under the War Department. It happens that in a century of experience no one can ever point the finger of accusation against this Board for any wrongdoing or the exercise of any favoritism to any community in the United States or to any individual. Their examinations and surveys are made impartially, and with only one thing in mind, finding what are the needs of communities, and what are the possibilities of a community and commerce as a result of any expenditure which may be recommended through their reports.

#### RIVER AND HARBOR IMPROVEMENTS NOT SECTIONAL

I was also particularly impressed by the gentleman from Michigan [Mr. DONDERO], when he mentioned the fact that river and harbor authorizations have always been nonpartisan, also nonsectional, and have reached to all parts of the country, and I venture the prophecy now that the gentleman's cherished St. Lawrence waterway development is only a matter of time. This great waterway, which would carry great benefits to the American people, is going to be carried out. The project will ultimately be carried out because there is public demand for it. If you will notice the history of our country, the centers of population have grown up first where they could have waterway transportation facilities.

Your farming areas are adjacent more or less to the waterway transportation facilities. Within 50 miles of water transportation facilities you will find 85 percent of American industry. Within 50 or 75 miles of direct waterway transportation facilities you will find about 75 percent of the farm-producing areas of the United States. That is most significant. Regardless of the efforts of the rival transportation facilities, and their ally, the Interstate Commerce Commission, water transportation development shall go on in the United States in the future. Rival transportation facilities have been subsidized in value more than a billion dollars in American lands and American moneys. It is true the Congress has spent almost an equal amount for our waterways development. For transportation facilities to try to throttle and lobby and work against water transportation facilities is undoubtedly selfish and contrary to the best interest of the rank and file of the American people—the great mass of American consumers.

#### RAILROADS SUBSIDIZED

America has in the past aided, assisted, and substantially subsidized transportation facilities. This is particularly true in the case of subsidies, grants, and gifts given to

railroads. Adequate transportation facilities have always been essential to general prosperity and the economic life and welfare of our Nation. Our country has quite properly recognized this and gone the limit in subsidizing railroads. The railroads should now be the last ones to yell and cry about the Government's spending money on waterway transportation facilities.

According to reliable authority, Federal railroad grants have been as follows:

<i>Federal railroad grants</i>	
	<i>Acres</i>
Estimated total area granted.....	190,000,000
Estimated area forfeited.....	35,000,000
Estimated area of unforfeited grants.....	155,000,000
Area patented to June 30, 1910.....	113,660,000
Remainder pending adjustment (probably greater part available).....	41,340,000
<i>Federal wagon-road grants</i>	
	<i>Acres</i>
Estimated total area granted.....	3,229,000
Area patented to June 30, 1910.....	2,987,000
Remainder pending adjustment (practically all available).....	242,000

Texas was an independent sovereignty before its admission to the United States and the treaty of union provided that the State should retain the ownership of all public lands within its boundaries. It has given to railroads land grants amounting to approximately 32,400,000 acres, over one-sixth of the area of the State.

#### FLORIDA GAVE ONE-THIRD HER AREA TO RAILROADS

In my own great State of Florida, it is as follows:

	<i>Acres</i>
Land grants made to the railroads by the Federal and State Governments.....	2,220,779
Land grants made to the railroads by the State government.....	9,070,156

When you consider that Florida has only about 32,000,000 acres of land, do you not think we have been exceedingly liberal in giving more than one-third of this to the railroads to encourage them to build and operate their transportation facilities for us? Railroad development in Florida has meant much to its economic life. But it seems to me now that this interest could hardly have the nerve to come in and oppose waterway transportation facilities in Florida.

#### THE FLORIDA CANAL

Now, Mr. Chairman and my colleagues, I have particularly in mind the steamship canal across Florida. This canal, when constructed, will connect up our great waterway transportation facilities of the Atlantic and Gulf of Mexico. For more than 10 years the Board of Army Engineers made exhaustive, detailed, and thorough studies of this project. Authorization for these studies and surveys was based upon bills which it was my pleasure to introduce and which the Congress passed in 1927 and 1930. They spent probably one-half million dollars in the surveys and called in the best talent within their organization and also outside of their organization in order to arrive at the facts in the case. Probably no other engineering project has by Americans ever been examined more thoroughly, exhaustively, and competently than has been the Florida canal. After these exhaustive studies, the Chief of Engineers, through the Secretary of War, on April 1, 1937, transmitted his report to your Committee on Rivers and Harbors. This report was ultra favorable and recommended completion of the canal.

The House Rivers and Harbors Committee, of which I happen to be a member, held exhaustive hearings for more than 21 days. At these hearings, the Chief of Engineers and officers of his corps, the Chief of the United States Geodetic Survey, and a large number of other witnesses appeared. Your committee voted by an overwhelming vote to complete the canal and favorably reported H. R. 6150, which I introduced, for the completion of the canal. This bill is now on the calendar and you will in the future be called upon to act upon it.

## THE CANAL IS A NATIONAL PROJECT

The canal across Florida is a national project and, practically speaking, its benefits will apply to the United States as follows:

	Percent
Population.....	74
Number farms.....	70
Acreage farms.....	73
Income farms.....	72
Manufactures.....	73
Wholesale and retail trade.....	84
Forests.....	53
Minerals.....	82
Finances.....	84

No other American project can show anything like half these benefits; therefore, Mr. Chairman and members of the Committee, it is truly a national project and cannot be considered as a local or sectional project.

In stressing the national importance of this project and its far-reaching benefits to the entire Nation, I call attention to the communication received by me from Hon. John L. Bogert, editor of the Marine News, and also a statement appearing in the May issue of the Marine News, as follows:

THE NEW YORK MARINE NEWS CO., INC.,  
New York, May 18, 1937.

HON. LEX GREEN,  
Washington, D. C.

DEAR MR. GREEN: With rail charges for grain haulage 13.9 mills per ton-mile from Yankton, S. Dak., to Duluth, and water rates but 2.6 mills per ton-mile on the New York State Barge Canal, it is imperative to utilize the all-water route down the Missouri and Mississippi Rivers to New Orleans, and thence up the coast to Atlantic ports. A canal across Florida becomes a necessity, since river barges cannot go to sea around Florida, and transshipment at New Orleans uneconomic. A canal shortens the haul 400 miles and links up the Gulf and Atlantic intracoastal waterways.

Very truly yours,

JOHN L. BOGERT, Editor.

## THE CASE FOR THE FLORIDA CANAL

The Missouri, Mississippi, and Ohio Rivers, with their tributaries, constitute a chain of navigable waterways 15,000 miles long, but it is improbable that the time will ever come when 75 percent of these rivers will be navigable for vessels drawing more than 9 feet of water. Such being the case, barges, both self-propelled and towed, must constitute the bulk of that immense flotilla of freight carriers, that can alone insure to the dwellers of our vast interior sufficiently low-cost transportation.

The Department of the Interior has issued a pamphlet which shows that many of our Middle West States, which were at one time the granary of the world, are now losing their inhabitants; and their farms, which were years ago the producers of great national wealth, are now being abandoned. High transportation costs will always arrest the growth in population of any land.

Montana, North Dakota, Wyoming, Nebraska, Kansas, Iowa, Missouri, Oklahoma, Arkansas are all seriously handicapped by the high cost of rail transportation. Congressman PETTENGILL, in a pamphlet entitled "Giving All Shippers an Even Break", makes the statement that in 1910, 38 percent of our people lived within 50 miles of salt water or the Great Lakes, and in 1930 this percentage had grown to 45. Coupled with that he calls attention to the fact that two-thirds of our growth in population had taken place in that strip of 50 miles from salt water or from the shores of the Great Lakes.

If those figures prove anything, they prove that people cannot afford to stay anywhere where there is no cheap water transportation available. There is but one lesson to be learned from such figures, and that is the importance from a national standpoint of extending cheap water transportation throughout our interior. To fancy that this natural drift to the shores of waterways can properly be arrested by abandoning the waterways and forcing into bankruptcy all transportation systems that utilize those same waterways is the height of absurdity. Cheap transportation means extended markets, and extended markets means a higher standard of living.

It is easy to demonstrate from the history of the great State of New York that a perfectly adequate waterway paralleling a railroad, not only does not injure that railroad, but builds it up and increases its earning capacity. There are three trunk lines that cross the State diagonally from New York to Buffalo, with a mileage haul of about 436 miles. The New York Central, paralleling the Hudson to Albany, and from Albany paralleling the New York State Barge Canal for its 340 miles to Buffalo, is several miles longer. Nevertheless, the New York Central has assisted in the building up of five cities of over 100,000 inhabitants, while Binghamton alone, of all the cities and towns on the Erie, Delaware, Lackawanna & Western and Lehigh Valley Railways, has as much as 78,300. The conclusion is inescapable that cheap water transportation is absolutely essential for rapid growth in population.

Congressman PETTENGILL's figures don't begin to tell the tale so far as the State of New York goes. We understand that 85

percent of the entire population of New York is located within 10 miles of its great waterway route up the Hudson to Troy, and thence to Buffalo. And Albany, Troy, Schenectady, Utica, Rome, Syracuse, and Rochester are the prosperous growing cities they are, just because they are not at the mercy of "all the traffic will bear" railroad freight rates.

Suppose we contrast the happy fate of these prosperous cities with the melancholy fate of the grain growers of South Dakota. If we do, we will speedily discover ample reason why the farm population of the Central West is shrinking. From Yankton, S. Dak., to Duluth, Minn., is but 424 miles by rail and the railroad charge is 15.9 cents per bushel of heavy grain, which on the basis of 60 pounds to the bushel would be closely 14 mills per ton-mile, or \$5.93 for the ton haul. Now contrast that with what the railroads ask to haul that same bushel of wheat from Buffalo to New York—4 cents per bushel. The distance is 436 miles, so the rate per ton-mile is but 3.4 mills. Now, if the railroads can afford to haul grain through the State of New York for 3.4 mills per ton-mile, what earthly right have they to ruin the poor farmer of the Dakotas by mulcting him 14 mills per ton-mile? Nevertheless, the Interstate Commerce Commission permits just such discrimination.

There is salvation for the western farmer, however, but it does not lie in any route through the Great Lakes; it lies down the Missouri and Mississippi Rivers. The annual report of the Inland Waterways Corporation for the year 1935 conclusively proves the possibility of a "down stream" rate for bulk cargoes as low or even lower than 1 mill per ton-mile. Therefore the Yankton, S. Dak., farmer can have his heavy grain hauled down the Missouri and Mississippi Rivers 2,050 miles to New Orleans for 5.5 cents per bushel. That is but little more than one-third of what the railroads ask him to land it at the head of Lake Superior, 4,576 miles from Liverpool; to be exact, 10.4 cents less. Now, that 10.4 cents per bushel will go a long way to pay the cost of the ocean haul from New Orleans to Liverpool, a distance around through the Florida Straits of 5,266 statute miles.

It must be evident that every mile cut off this long haul will be a distinct benefit to the shipper; a saving of 400 statute miles (350 nautical miles) would reduce this ocean haul to 4,866 statute miles. At 1 mill per ton-mile, 10.4 cents saving per bushel would pay for a haul of 3,882 miles. So down the Missouri River to its junction with the Mississippi River, thence down the Mississippi River to New Orleans, and from thence across Florida, 15.9 cents per bushel would pay for the transportation of that South Dakota heavy grain to within 1,000 miles of Liverpool. Think of it, ponder over it, hauling heavy grain by water nearly 6,000 miles for the same price as is demanded by the railroads to haul it 424 miles. There is nothing extraordinary about hauling a bushel of grain 6,000 miles for 15.9 cents by a water route. The Argentinian, 7,178 miles away from Liverpool at Buenos Aires, has during the recent depression had his coal brought to him for 10 shillings per ton and his grain hauled back to Liverpool for 20 shillings per ton. Prices are higher now, but still well under a mill per ton-mile. In sailing vessels grain has been carried from Australia to Liverpool, 15,000 miles, for \$6 per ton, or six-fifteenths of a mill per ton-mile. This compares very favorably with bulk-cargo haulage on the Great Lakes, where coal and grain have been carried for as little as three-eighths of a mill per ton-mile.

In view of the Report of the Board of Engineers for Rivers and Harbors, bearing date of February 24, 1937, which after advocating dimensions for the canal of "35 feet increased in the rock sections to 36 feet and 37 feet in the Atlantic and Gulf entrances, with a minimum width of 400 feet in the land cuts increased to 600 feet in open water" it seems pertinent to point out that it is perfectly possible to construct any canal of such excessive cross-section for the canal prism, that the visible traffic would be utterly inadequate to economically justify its construction. This the Board of Engineers and Harbors seems to have done.

Justification for the foregoing conclusion can be pointed out by considering the case of the St. Mary's Canal on the Great Lakes. Here is a canal that passes the largest tonnage of any canal in the world, tonnage that carries cargoes at rates as low as any on any sea, lake, or river anywhere. Furthermore, the bulk cargo vessels that ply through this canal are of considerable length; the steamer *Harry Coulby* is 604 feet long, 65 feet beam and 33 feet depth. Yet these vessels carry cargoes as large as 15,000 tons on less than 20 feet draught. At no time in the last 25 years has the recommended draught exceeded 21 feet.

There are no tankers as yet built that are as long as 600 feet; a standard size may be taken as 500 feet long, 68 feet beam carrying 15,500 tons on 30 feet draught. But it is perfectly possible to build tankers longer than 500 feet and drawing less water than 30 feet when fully loaded; the ratio of length to draught in our large trans-Atlantic passenger vessels is much greater than what obtains in the modern tanker. It can be taken as axiomatic that vessels will always be built to suit the canal locks they must traverse. So it must be obvious to anyone that General Markham is perfectly justified in restricting the cross-section of the Florida Canal prism to such dimensions as he feels the visible traffic warrants.

So far as the needs of vessels that can navigate the upper reaches of our inland waterways is concerned, a canal across Florida that will accommodate barges drawing but 8 feet of water fully loaded will meet their requirements, but no such limited draft would suffice for the trade that will use this most desirable waterway. With the deepening of the New York State Barge Canal, barges drawing 14 feet of water will be constructed in large

numbers, and it would be folly to restrict the possible use of the canal to only river barges.

It seems pertinent to point out here that the tank trade is a one-way trade and that upon its return voyage south to the Gulf, in ballast, these tankers which draw 30 feet fully loaded will rarely draw more than 20 to 21 feet aft and but little more than half that forward. So the very largest tankers in ballast will never call for more than 25 to 30 feet.

There is one other advantage that inheres to the Florida canal route. As everyone knows, the Gulf Stream pours out through the Florida Straits at the rate of 3 to 3½ knots, and for a tanker to go south she must buck this same Gulf Stream. But below Hatteras there is a counterflow current close in to shore running south. So a direct course for Jacksonville would be favorable, while any course around the lower end of Florida would be against the current. It is therefore absurd to suppose that tankers will not use the Florida canal when built, in any event on their south-bound, in-ballast condition. There is a further reduction in fuel consumption when the speed is cut down in transiting the canal. As every naval architect knows the power needed is proportional to the cube of the speed, so that theoretically but one-eighth of the normal power is required when the speed is reduced one-half. While the mechanical losses of the propelling machinery remain nearly constant, so that the fuel consumption does not follow closely any such rule as one-eighth fuel consumption for one-half speed, it is none the less true that in transiting such a canal as the Florida canal, a 15,000 D. W. tanker might save 15 tons of fuel oil in a 24-hour passage, owing to the reduction in speed.

It must always be borne in mind that the cutting of this canal across Florida will permit shoal draft vessels that are utterly unsuited to ocean navigation to pass from the intracoastal waterways of the Gulf to those of the Atlantic. There are over 1,000 miles of these intracoastal waterways in the Gulf and 1,431 miles of them on the Atlantic; this canal will join them.

It will be of interest to all of my colleagues, particularly those from the southern section of our country, to know the substance of a brief statement taken from a recent issue of the Manufacturers Record. This statement gives enlightening information relative to the Nation's oil reserves, and is as follows:

#### SIXTY-THREE PERCENT OF NATION'S PROVEN OIL RESERVES IN THE SOUTH

An increase of 886,000,000 barrels of petroleum in the proven reserves of the United States on January 1, 1937, over the January 1, 1935, figure is estimated by the American Petroleum Institute. During this 2-year period approximately 2,044,000,000 barrels were produced, but discovery of new pools and development of old ones have covered this and the total reserves of the country are placed at 13,063,000,000 barrels, of which 8,242,000,000 barrels, or 63 percent, are in the southern oil-producing States.

The increase in the South since the last estimate 2 years ago is 1,032,000,000 barrels, compared with a decline of 146,000,000 barrels in the oil regions of the rest of the country, principally California.

"These figures", the president of the A. P. I., Mr. Axtell J. Byles, explained, "do not mean that the country has available only 13,063,000,000 barrels of oil, but that it has proved reserves up to that amount. \* \* \* The probability is that these proven reserves constitute only a small portion of the supply which will be made available. But these reserves do assure that there is no imminent danger of shortage."

Following is a table showing the distribution of reserves in southern fields:

#### Proven petroleum reserves, Southern States

(As estimated by the American Petroleum Institute for Jan. 1, 1937)

	Barrels
Arkansas.....	84,000,000
Kentucky.....	39,000,000
Louisiana.....	524,000,000
Oklahoma.....	1,141,000,000
Texas.....	6,422,000,000
West Virginia.....	32,000,000

Total.....	8,242,000,000
Total, United States.....	13,063,000,000

The American Petroleum Institute is authority for the above statistics, and it is noteworthy that the South supplies two-thirds of the country's petroleum energy and that it has an estimated investment of \$6,000,000,000 in southern oil reserve and production enterprises. This tonnage—the bulk of it—will find its way through the Florida Canal.

#### 2½ DAYS SAVED FROM ATLANTIC TO GULF

Mr. Chairman and my colleagues, with our rapidly growing population and rapid exhaustion of our national resources, it is imperative that Americans look scientifically toward economies in transportation. This canal will save in ship-operating costs about \$10,000,000 annually. It will reflect three times this amount in a lessened transportation cost to the American consumers. [Applause.]

Mr. MANSFIELD. Mr. Chairman, I yield the gentleman from Florida 1 additional minute.

Mr. GREEN. Thank you, Judge MANSFIELD.

It will save 2½ days' time in making a boat round-trip from New York and European ports to New Orleans and other Gulf ports. From New York to New Orleans this will gain about one round-trip in five. More than 10,000 ships annually will transit it. Practically all engineering and commercial minds of the country admit that it will carry more than twice the annual tonnage of the Panama Canal. The best national defense minds in the country say that from a national defense point alone it is worthy of construction.

It will save numerous lives and hundreds of thousands of dollars storm damage annually by eliminating the necessity of boats going through the hazardous straits south of Florida. It will be a permanent structure and will carry these benefits to each succeeding generation. Each 15 years after its construction, it will return in transportation savings to the American people the cost of its construction.

I earnestly urge you to cooperate for passage of legislation for its completion. [Applause.]

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, it was once my good fortune to serve on the Committee on Rivers and Harbors. I desire to express my high regard for the chairman of that great committee, Judge MANSFIELD. He always commanded the profound respect of the members of the committee by reason of his great capacity and his comprehensive knowledge and his modesty, his fine character and his many good qualities have not only endeared him to the members of the committee but to all the Members of the House.

I am not going to discuss the technical features of this bill. There is a matter in the bill in which I have a very great interest.

Section 5 of H. R. 7051, the bill under consideration, contains the provisions of H. R. 2300, a bill introduced by me to provide for a survey of the Ohio River and its tributaries with the view to preventing their pollution.

The question of the elimination of stream pollution is one of transcendent importance to the people of the district I represent and is rapidly becoming a matter of vital importance to all the people of the United States.

The Ohio River is probably more highly improved for the purposes of navigation than any other river in the Nation. It is locked and dammed, and in times of low water it constitutes a series of stagnant pools, one of such pools extending from Coney Island, 7 or 8 miles east of Cincinnati, to Fernbank, a few miles west of Cincinnati. Into that pool flows the domestic sewage and industrial waste of 600,000 people on the Ohio side and 150,000 on the Kentucky side, and out of the pool comes their water supply. It is an indefensible and intolerable condition and one that must be remedied in the near future.

The ordinary processes of coagulation to treat turbidity of aeration and filtration could not produce potable water from the Ohio River if the process of chlorination was unknown. It is necessary to use chlorine in the water plants in the smaller towns to such an extent that it can be plainly tasted in the drinking water.

I voted for the Barkley-Vinson bill which placed this matter entirely in the hands of the Health Department. It will always be necessary for the Health Department to establish standards, but the ultimate solution, it seems to me, is an engineering problem. The water cannot be purified after it is polluted. We must prevent the pollution. That is an engineering problem. It can only be done by interception sewers and disposal plants. However, there will be enough work for all departments in the solution of this great problem.

It is my thought that the Ohio River should be the laboratory where this problem could be solved, not only for the people living in the Ohio Valley, but for the people of the Nation. The Ohio River, by reason of its small volume

of water in many seasons of the year, and the fact that it drains a basin with an area of 200,000 square miles with a population of almost 20,000,000 people, and by reason of the great volume and variety of industrial waste and domestic sewage that flows into the river, should be the laboratory in which this problem should be worked out.

In Secretary Woodring's report on H. R. 2300, which is section 5 of the bill under consideration, and which report is included in the report on the pending bill, he said:

It is the view of the Department that any plan for the abatement of pollution in the drainage areas of the United States must be based upon results of further investigations and studies of definite streams in which pollution may be acute. The size and importance of the Ohio River and the present condition of pollution in certain reaches of the river indicate that this river and tributaries warrant such a study. The administration of the provisions of the proposed bill can be coordinated with the prosecution of the preliminary examinations and surveys now conducted by the Department.

The larger cities along the Ohio River, by the application of the processes known to science, have made the water fairly potable, but the smaller towns have no capacity to spend the immense sums of money necessary for this purpose. They have largely obtained their water supply from artesian wells and they have lived under the delusion that the water thus obtained was pure and healthful. However, by constant use of the subterranean waters the water table has been lowered in some instances, I have been informed, from the depth of 12 to 80 feet, and the polluted percolating waters of the Ohio River have mingled with the subterranean waters to such an extent that the use of these waters for human consumption is a real source of peril.

Under the commerce clause of the Constitution, the Federal Government retains jurisdiction over all navigable waters. At the time of the formation of our Government almost all the commerce was water-borne. The railroads had not yet come, there were few roads and all of them were almost impassible, so the Nation depended for its commerce upon the rivers and navigable waters.

It was very important that the navigable rivers should be improved and that the great seaports and lake ports should be adequate to care for our commerce. The Corps of Engineers of the United States Army from its beginning has been closely associated with our Federal program of internal improvement and today is still the only general engineering organization in the Government service. In times of peace the War Department's most important civil-engineering activity is the improvement of our waterways for navigation and the control of floods.

The first river and harbor legislation enacted by Congress in 1789 consisted in assenting to certain improvements sponsored by the individual States. The first appropriation for river and harbor improvements was made in 1802, and from 1826 to the Civil War Congress periodically provided appropriations for this purpose. The close of the Civil War and the return of industrial activity brought to the front the necessity for a still more comprehensive program to provide reasonable facilities for our ever-growing commerce. From 1866 to 1920 Congress continued the passage of these periodical river and harbor bills, and in 1920 adopted its present policy of enacting general river and harbor legislation to include the authorization of definite projects and the expenditures necessary for the completion of these projects every several years, and making available in the annual War Department appropriation a lump sum for application to these authorized projects.

Congress has appropriated a total of \$2,260,000,000 for maintenance and improvement of our navigable waterways, which carry an annual commerce of 583,800,000 tons, valued at \$24,311,000,000.

Advance planning for additional future works of river and harbor improvement and of flood control has continued with the prosecution of works under construction. Plans are prepared for the prompt commencement of further works of improvement of widespread public benefit, all of which have been maturely investigated on the initiative of Congress and recommended by the Chief of Engineers.

Including the reports on the tributary streams of the Mississippi, is the comprehensive survey of approximately 200 streams and their tributaries in the combined interests of navigation, flood control, power development, and irrigation.

The War Department engineers have presented to the Committee on Rivers and Harbors of the House numerous concrete and definite projects, with specific recommendations, and from these we have the bill that is before you now.

In the matter of flood control, the dispatch with which the Army engineers are able to furnish information to Congress and to present reasonable plans was clearly demonstrated this year. In an incredibly short period after the greatest flood of all time had passed down the Ohio River the Chief of Engineers was able to report to Congress a plan designed to prevent a recurrence of this national disaster. These data, with recommendations for other great tributaries of the Mississippi, are now in the hands of the Flood Control Committee.

The present national policy of the Rivers and Harbors Committee has greatly facilitated waterway improvement work and placed it on a sound working basis. This policy of enacting every few years general river and harbor legislation authorizing appropriations for definite projects, with a view to their completion over a period of years, and of making available in the annual War Department appropriation a lump sum for application to these authorized projects provides for the modern and extensive program we now have. While the legislation necessary to carry out this policy and provide for a comprehensive program might at first appear to be an insuperable task, since both preliminary and final decisions depend upon agreement in the committee and on the floors of both Houses of Congress, the records of the past decade stand as monumental evidence that our river and harbor work has functioned efficiently and expeditiously.

Certainly the engineers of the War Department, who have such great knowledge upon the subject of our navigable waters, acquired over the years, should have their proper place in the important work of eliminating stream pollution.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. MANSFELD. Mr. Chairman, I yield to the gentleman from Washington [Mr. SMITH] such time as he may desire.

#### MERIT OF RIVER AND HARBOR PROJECTS—LABOR EMPLOYED

Mr. SMITH of Washington. Mr. Chairman, I have requested this time in order to briefly point out to Congress and to the country the fact that there is probably no type of Federal project, I care not what its nature may be, which receives the thorough, painstaking study and consideration to which a river and harbor project is subjected before it is authorized by Congress and the money is actually appropriated by Congress.

The local community initiates the project for the dredging or improving of the river or harbor in question, to serve the local community by providing low-cost water transportation, and to aid commerce and navigation at that point. The project is discussed in the community, the citizens themselves see the possibilities and advantages which would accrue, and therefore they agitate and advocate the project and local industries join with them in favoring it; then their representative in Congress is called upon and introduces a bill for a survey which is essential in the case of every new project. He presents the matter to the Committee on Rivers and Harbors, which submits it to the United States Army Engineers having jurisdiction of rivers and harbors, who determine whether a survey is necessary and desirable and recommend accordingly. This results in the bill either being passed separately or included in the omnibus river and harbor bill, such as the pending measure, which includes numerous surveys. If the project is one for the modification or change of an existing project, then a resolution for review of prior reports is sufficient and the Representative sponsors such a resolution which is submitted to the Army engineers and later to the committee which passes

it and refers it back to the Army engineers for the desired report.

The project is then referred to the district engineer, of whom there are 42 in the United States, embracing every section of the country. He calls a hearing in the local community and all those who might be interested are notified and afforded an opportunity to be heard and present testimony and arguments showing the need for the improvement and evidence in support of the merits of the project. It is a public hearing, the public is invited and welcomed, and all those who indicate a desire to be heard either for or against the project are heard. It is in the nature of a quasi-judicial hearing. The district engineer, after considering all the testimony, makes recommendations and refers the project to the division engineer, of whom there are 10 in all sections of the Nation, the last division engineer's office to be established being at Portland, Oreg., in charge of Col. T. M. Robins, who was transferred from San Francisco on account of the large Bonneville Dam project on the Columbia River, in Oregon and western Washington.

The division engineer reviews the recommendations and report of the district engineer. He then makes his report and recommendations and sends the project on to Washington, D. C., where it is again reviewed and considered by the Board of United States Army Engineers, at which time the Representative in Congress is again heard in behalf of the project. The Board consists of seven members. They have served as district and division engineers in various parts of the Nation and like them were honor students at West Point and took the special course at the engineering school at Fort Belvoir, Va., prior to serving as district and division engineers before being promoted to membership on the Board. The members of the Board have no local interest to serve whatsoever; they consider each project from a national view-

point, how it will affect the navigation and commerce of the United States. They are far removed geographically from each project. These skilled engineers are absolutely divorced from politics. They are nonpolitical and nonpartisan and consider and decide the project solely upon its merits and demerits. The final decision rests with the Chief of the United States Army Engineers, who reviews the report and recommendations of the Board.

After the project has run the gantlet of the district engineer, division engineer, Board of Engineers, and Chief of Engineers, these reports are submitted to the Committee on Rivers and Harbors, which hears the project de novo and listens to the presentation made by the local Congressman and representatives of the office of the United States Army Engineers and either approves or rejects the project, preparatory to its inclusion in an omnibus river and harbor bill. I repeat the assertion made at the outset that the scrutiny and searching investigation which I have described is probably not equaled or even approached by any other class of projects or expenditures of the Federal Government.

Mr. Chairman, not only are river and harbor projects based upon merit, but they also result in a greater proportionate expenditure for labor, direct and indirect, than almost any other class of public-works projects. To substantiate and prove this fact I call attention to the following statement prepared under the direction of Maj. Gen. E. M. Markham, Chief of Engineers, United States Army, furnished to me under date of June 25, 1937. The total percentage, direct and indirect, of labor costs ranges from 78.5 to 87.9 percent, demonstrating conclusively the soundness and desirability of river and harbor projects as labor-employment projects.

The statement of General Markham referred to is as follows:

*Percentages of labor costs, direct and indirect, to total cost for work completed with Government plant and hired labor by the Corps of Engineers, U. S. Army, between September 1933 and June 30, 1936*

	Dredging, regular funds	Dredging, N. I. R. A. and P. W. A. funds	Operating and care of canals, regular funds	Dike con- struction, N. I. R. A. and P. W. A. funds	Revet- ment con- struction, N. I. R. A. and P. W. A. funds	Lock and dam con- struction, regular funds	Levee con- struction, regular funds
1. Direct labor:							
Labor used in construction including plant operation.....	29.7	33.5	57.2	31.9	34.6	30.0	34.0
Labor used in plant repairs.....	12.7	11.3	3.8	4.4	3.8	4.0	10.0
Labor used in surveys, superintendence, and overhead.....	9.0	6.0	7.2	5.4	6.8	7.2	9.0
Miscellaneous services.....							3.5
Total, direct labor.....	51.4	50.8	68.2	41.7	45.2	41.2	56.5
2. Indirect labor:							
Material and supplies used in construction.....	18.0	19.3	17.5	35.8	33.7	32.9	14.0
Material and supplies used in plant repairs, etc.....	9.4	9.0	2.2	2.3	2.1	2.8	5.6
Miscellaneous supplies.....							2.4
Total, indirect labor.....	27.4	28.3	19.7	38.1	35.8	35.7	22.0
3. Total direct and indirect labor.....	78.8	79.1	87.9	79.8	81.0	76.9	78.5
4. Other costs:							
Basic materials.....	13.5	13.3	9.2	17.2	15.7	16.1	10.5
Depreciation.....	7.7	7.6	2.9	3.0	3.3	7.0	11.0
Total other costs.....	21.2	20.9	12.1	20.2	19.0	23.1	21.5
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Mr. MANSFIELD. Mr. Chairman, I yield to the gentleman from Rhode Island [Mr. FORAND] such time as he may desire.

Mr. FORAND. Mr. Chairman, I am happy, indeed, on my first occasion in the Well of this House, to pay my respects to the genial chairman of the Committee on Rivers and Harbors, the gentleman from Texas [Mr. MANSFIELD].

I heartily subscribe to what has been said here today by my colleagues in praise of the qualities and virtues of Judge MANSFIELD.

When I first came to Congress in January I was to the gentleman from Texas [Mr. MANSFIELD] absolutely unknown; but upon approaching him with reference to projects within my district, one the deepening and widening of the channel

of the Providence River and Harbor, and the second a preliminary survey of Warren River and Barrington Harbor, he practically took me by the hand and led me to the point where both these projects are included in this bill. I want to express my thanks to the gentleman from Texas for his courtesy.

Mr. Chairman, the deepening and widening of the channel in the Providence River and Harbor is a matter of deep interest to the State of Rhode Island and to its business. This bill provides for a channel 35 feet deep and generally 600 feet wide from deep water in the upper Narragansett Bay to the turn below Fields Point, from which point the channel would continue at a depth of 35 feet, and would widen up to 1,700 feet to Fox Point.

At the present time the channel is only 30 feet deep and cannot accommodate the larger steamers which could be used to advantage to deliver petroleum products to terminals in Providence Harbor.

The deepening and widening of the channel as proposed in this bill has been recommended by the Army engineers, who have evaluated the benefits to accrue from such improvements at \$195,000 annually, which, I believe, fully justifies the expenditure of \$1,580,000 as provided in this bill.

The city of Providence, a city of nearly 300,000 inhabitants, is the principal port of the State of Rhode Island. The record shows that in 1934 the commerce of the harbor, exclusive of cargo in transit, amounted to nearly 6,000,000 tons. This is high-class commerce.

It may be noted here that Providence is a distributing center for petroleum products for a considerable area in New England and provides, in addition to the regular commercial terminals, a very fine public terminal on which in excess of \$2,000,000 has been spent by the local community. Commodities received and shipped through Providence Harbor include coal, both anthracite and bituminous, coke, petroleum products, lumber, metals, chemicals, sand, stone, coal tar, and freight packages with a value during 1935 in excess of \$143,000,000, of which amount nearly \$2,000,000 was foreign commerce. There are 23 terminals already doing business on the harbor's  $4\frac{1}{2}$  miles of frontage, included in which are 7 petroleum products terminals with a total of 5,000 linear feet of berthage, all with adequate storage facilities and including 1 refinery with pipe line distributing to Worcester and Springfield, Mass. There are 3 lumber terminals with a total berthage of 2,450 feet and adequate back storage and five wholesale and retail coal terminals, each averaging more than 600 feet of berthage and all supplied with storage and transshipping facilities. One package freight steamer line, Providence to New York, has about 1,000 feet of berthage, and the local gas company owns and uses about 625 feet. All of these terminals are privately owned and not open to public use. There is a railroad pier with 1,925 feet of berthage with rail and unloading facilities. A terminal warehouse pier, the State pier, and the municipal wharf are open to use on equal terms to all. The State pier is a modern structure, 120 feet wide and 600 feet long, with transfer shed, dock storage, and about 4 acres of general storage.

The municipal wharf at Fields Point is a quay wall about 3,000 feet long, of which 800 feet is open for general use and the balance leased. Closed and open storage, crane service, and rail sidings are available. A project is now on foot for an extension of the municipal wharf to provide greater facilities. This project, it is estimated, will cost approximately \$2,000,000.

In view of the great amount of commerce using the port of Providence and the fact that the city of Providence and the State of Rhode Island have shown through the expenditures of large sums of money their willingness and desire to cooperate with the Federal Government in the further development of this great port, I sincerely hope that this bill will pass and that the deepening and widening of the channel in the Providence River and Harbor will become an accomplished fact in the not distant future.

Mr. MANSFIELD. Mr. Chairman, I yield to the gentleman from California [Mr. ELLIOTT] such time as he may desire.

Mr. ELLIOTT. Mr. Chairman, we have under consideration today the Rivers and Harbors Act of 1937, one section of which deals in a very important and substantial manner with the Central Valley project of California. For more than 25 years I have had direct personal opportunity at the very door of my home to watch the effect of the creeping paralysis of water shortage on highly developed lands in great areas of the Central Valley of California. Tulare County, Calif., in which is my home, is one of the counties most acutely affected by this water shortage. Like-

wise, large parts of Kern County, to the south, and of Fresno and Madera Counties, to the north, as well as Kings County, on the west, face the certainty of reverting from splendidly developed areas contributing enormously to the annual national income by the production of specialized crops, to desert or pasture, unless additional water is brought to their parched lands. I know from personal observation over many years, as well as from studies of official reports, that unless the Central Valley project is brought to completion so as to furnish this additional water, the ensuing 10 years will, in the counties I have named, with mathematical certainty, eliminate from 200,000 to 400,000 acres of these developed lands from production. Already the doom of economic extinction and abandonment due to failure of water supply has fallen upon approximately 50,000 acres.

This presents only the picture as to the southern part of the Central Valley of California, which southern part is called the San Joaquin Valley. In the northern part, called the Sacramento Valley, situations equally as acute but of a different nature exist. In many years floods of devastating extent sweep this area. These floods carry to the sea and waste water, vast quantities of water, constituting the most precious natural resource of California. On their way to the sea in seasons of flood, which occur in the winter or early spring, these floods ravage the countryside, doing great harm. Millions of dollars have been spent by the United States and the State of California in efforts to control these floods, and that money has been in the main wisely expended, but the peak floods of the Sacramento River still remain uncontrolled above certain stages of flow, which higher stages occur all too frequently. Then, when the floods have subsided and the long dry summer comes, as it comes every year in California, the draft on the diminishing flow of both the Sacramento and San Joaquin Rivers for irrigation so reduces the flow of those rivers that their combined outflow into upper San Francisco Bay through the delta channels at the mouths of these rivers becomes too weak to hold back the salt waters creeping up those delta channels by tidal action from San Francisco Bay. Those delta channels traverse an area of 400,000 acres of the most fertile lands in the United States. By way of example, I may state that from these delta lands comes more than 90 percent of all the canned asparagus consumed in the United States. The creeping paralysis of salt water intrusion into that delta is slowly but steadily extinguishing forever the productive fertility of thousands of its best acres. I say forever. Once those lands become impregnated with salt there is no known method of redeeming them.

The cause of all this is the inequality of the distribution of the waters which nature supplies annually to California. Three-fourths of the annual supply in the shape of rain and snow which falls upon the State comes to the northern one-fourth of the State. Three-fourths of the irrigable lands of the State lie south of that heavily watered area. The remedy for this maldistribution of water supply is the Central Valley project.

It has required nearly 20 years of investigation, negotiation, and study to formulate the design and plan of the Central Valley project and bring it to where it is now—ready for construction. California has spent more than \$1,000,000 from its treasury in those studies, and the United States has contributed the detailed efforts of its Army engineers and Reclamation engineers. Never has any water project been so exhaustively studied from every angle in advance, and never has any such project been so unanimously approved. There is not one dissent from either Federal or State engineers in approving it, and it bears the official approval of the Secretary of the Interior, and finally of the President of the United States.

Twenty years have been a long time to work on preliminaries to construction. More years cannot be spared for that purpose. The need is now to press forward with construction to the full limit of speed commensurate with economical operations. At best the life-giving water to be sup-

plied by the completed project will arrive too late to avert a vast amount of irretrievable loss.

Of course there are and will be a great number of problems both of engineering and law to solve in connection with the building of the Central Valley project. Some of these problems have already delayed the start of construction on one or two units of the project.

What is urgently needed is to vest in the Bureau of Reclamation such powers and authorization as are necessary to enable it to attack and solve these problems with all its strength in the way they must be solved—justly, but promptly. That power and authority will be vested in the Reclamation Bureau by the provisions of the Rivers and Harbors Act of 1937, now before this House. I cannot find words to convey to you with what prayerful anxiety thousands of people in California whose whole life's efforts and savings have gone into the development of the lands which the Central Valley project will save, are awaiting the decision of this Congress on this act.

May I, in conclusion, summarize a few vital facts as to the Central Valley project.

First. It is not in any sense a promotion scheme for the development of new lands. It is a rescue project to save lands already developed.

Second. The waters from this project will produce almost entirely specialized crops, scarcely in competition with any other parts of the United States, such as grapes, figs, walnuts, vegetables, and citrus fruits. Other crops that may be produced under the project are marketed at a time when there is little or no competition between them and similar crops from other areas. There need, therefore, be no fear that the Central Valley project will add to the problem of surplus in agricultural products. No better evidence of this need be furnished than the fact that after exhaustive investigation the project was officially endorsed by the last national convention of the American Farm Bureau Federation.

Third. The project is and will be absolutely self-liquidating and will repay to the United States Treasury within a reasonable term of years every dollar used from that Treasury for its construction. There is a market and a demand now for every kilowatt of electric energy and every drop of water to be made available by the project, more than sufficient to guarantee by firm contracts repayment of the construction costs.

Fourth. Every aspect, engineering, legal, economic, and financial, of the project has been checked and rechecked by Federal and State agencies. They are unanimous in their approval of the project as a whole, unanimous in urging the pressing necessity for its early construction.

The plans are now being completed, the engineers and the workmen have started, the only obstacle remaining is clear and definite authorization from this Congress to the Reclamation Bureau to go ahead. Let us not seal the doom of more fertile acres in California by withholding that authorization another day. [Applause.]

Mr. MANSFIELD. Mr. Chairman, as there are no further requests for time, I ask that the bill be read for amendment.

Mr. PARSONS. Mr. Chairman, I ask unanimous consent, inasmuch as there are no controversial matters in the first 12 pages of the bill, these pages including the names of the project, that the reading of the first section of the bill be dispensed with, but that it be printed in the RECORD at this point; that then the committee amendments may be offered at the proper places on each page, and after they are disposed of, if there are any other amendments, either to strike out or to insert, that these amendments be in order. I do this to expedite consideration of the bill.

Mr. DONDERO. Mr. Chairman, reserving the right to object, and I shall not object, the gentleman's request is confined to the first section of the bill ending on page 12?

Mr. PARSONS. The gentleman is correct. Section 2 contains the matters that might be controversial.

Mr. MOTT. Mr. Chairman, reserving the right to object, as I understand the gentleman's request, it does not include the second section.

Mr. PARSONS. It gives an opportunity for any Member to offer any amendment he may wish, either to strike out or to insert.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Section 1 of the bill follows:

*Be it enacted, etc.,* That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that hereafter Federal investigations and improvements of rivers, harbors, and other waterways shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress:

Chelsea River or Creek (Boston Harbor), Mass.; Rivers and Harbors Committee Document No. 24, Seventy-fifth Congress;  
Town River, Quincy, Mass.; House Document No. 96, Seventy-fifth Congress;  
Scituate Harbor, Mass.; Rivers and Harbors Committee Document No. 26, Seventy-fifth Congress;  
Cuttyhunk Harbor, Mass.; House Document No. 81, Seventy-fifth Congress;  
Edgartown Harbor, Mass.; Senate Commerce Committee Document, Seventy-fourth Congress;  
New Bedford and Fairhaven Harbor, Mass.; Rivers and Harbors Committee Document No. 25, Seventy-fifth Congress;  
Providence River and Harbor, R. I.; House Document No. 173, Seventy-fifth Congress;  
New London Harbor, Conn.; Rivers and Harbors Committee Document No. 82, Seventy-fourth Congress;  
Milford Harbor, Conn.; House Document No. 77, Seventy-fifth Congress;  
Bridgeport Harbor, Conn.; House Document No. 232, Seventy-fifth Congress;  
Stamford Harbor, Conn.; Rivers and Harbors Committee Document No. 29, Seventy-fifth Congress;  
Greenport Harbor, N. Y.; Rivers and Harbors Committee Document No. 88, Seventy-fourth Congress;  
Long Island Intracoastal Waterway, N. Y.; House Document No. 181, Seventy-fifth Congress;  
New York Harbor: Ambrose, Anchorage, and Hudson River Channels; Senate Commerce Committee Document, Seventy-fifth Congress;  
Fire Island Inlet, N. Y.; Rivers and Harbors Committee Document No. 33, Seventy-fifth Congress;  
Newtown Creek, N. Y.; Rivers and Harbors Committee Document No. 4, Seventy-fifth Congress;  
Irvington Harbor, N. Y.; House Document No. 244, Seventy-fifth Congress;  
Raritan River, N. J.; Rivers and Harbors Committee Document No. 74, Seventy-fourth Congress;  
Lemon Creek, Staten Island, N. Y.; Rivers and Harbors Committee Document No. 27, Seventy-fifth Congress;  
Cohansey River, N. J.; Senate Commerce Committee Document, Seventy-fifth Congress;  
Barnegat Inlet, N. J.; Rivers and Harbors Committee Document No. 85, Seventy-fourth Congress;  
Delaware River between Philadelphia, Pa., and Trenton, N. J.; Rivers and Harbors Committee Document No. 90, Seventy-fourth Congress;  
St. Jones River, Del.; Rivers and Harbors Committee Document No. 18, Seventy-fifth Congress;  
Mispillion River, Del.; Rivers and Harbors Committee Document No. 83, Seventy-fourth Congress;  
Rock Hall Harbor, Md.; House Document No. 204, Seventy-fifth Congress;  
Island Creek, Md.; House Document No. 75, Seventy-fifth Congress;  
Waterway from Little Choptank River to Choptank River, Md.; House Document No. 91, Seventy-fifth Congress;  
Cambridge Harbor, Md.; Rivers and Harbors Committee Document No. 7, Seventy-fifth Congress;  
Fishing Bay, Md.; House Document No. 186, Seventy-fifth Congress;  
Nanticoke River, Md.; House Document No. 242, Seventy-fifth Congress;  
Wicomico River, Md.; Senate Commerce Committee Document, Seventy-fifth Congress;  
Upper Thoroughfare, Deals Island, Md.; House Document No. 76, Seventy-fifth Congress;  
Crisfield Harbor, Md.; Rivers and Harbors Committee Document No. 2 and House Document Document No. 72, Seventy-fifth Congress;  
Cypress Creek, Md.; House Document No. 161, Seventy-fifth Congress;  
Northeast River, Md.; House Document No. 248, Seventy-fifth Congress;  
Back Creek, Anne Arundel County, Md.; House Document No. 73, Seventy-fifth Congress;

Fishing Creek, Md.; House Document No. 241, Seventy-fifth Congress;  
 St. Jeromes Creek, Md.; House Document No. 174, Seventy-fifth Congress;  
 Neale Sound, Md.; House Document No. 159, Seventy-fifth Congress;  
 Chincoteague Bay, Va.; House Document No. 233, Seventy-fifth Congress;  
 Onancock River, Va.; House Document No. 74, Seventy-fifth Congress;  
 Coan River, Va.; Rivers and Harbors Committee Document No. 30, Seventy-fifth Congress;  
 Hoskins Creek, Va.; Rivers and Harbors Committee Document No. 8, Seventy-fifth Congress;  
 James River, Va.; Rivers and Harbors Committee Document No. 68, Seventy-fourth Congress;  
 Deep Creek, Va.; Rivers and Harbors Committee Document No. 76, Seventy-fourth Congress;  
 Lafayette River, Va.; Rivers and Harbors Committee Document No. 5, Seventy-fifth Congress;  
 Cashie River, N. C.; Rivers and Harbors Committee Document No. 31, Seventy-fifth Congress;  
 Pamlico and Tar Rivers, N. C.; Rivers and Harbors Committee Document No. 22, Seventy-fifth Congress;  
 Waterway connecting Pamlico Sound and Beaufort Harbor, N. C.; Rivers and Harbors Committee Document No. 92, Seventy-fourth Congress;  
 Bay River, N. C.; Rivers and Harbors Committee Document No. 72, Seventy-fourth Congress, and House Document No. 185, Seventy-fifth Congress;  
 Morehead City Harbor and Beaufort Inlet, N. C.; Senate Committee Document, Seventy-fourth Congress;  
 Inland Waterway, Beaufort, N. C., to the Cape Fear River, including waterway to Jacksonville, N. C.; Rivers and Harbors Committee Document No. 16, Seventy-fifth Congress;  
 Cape Fear River, N. C., above Wilmington; Rivers and Harbors Committee Document No. 17, Seventy-fifth Congress;  
 Intracoastal Waterway from Cape Fear River, N. C., to Savannah, Ga.; Rivers and Harbors Committee Document No. 6, Seventy-fifth Congress;  
 Ashley River, S. C.; House Document No. 449, Seventy-fourth Congress;  
 Waterway between Beaufort, S. C., and St. Johns River, Fla.; Senate Commerce Committee Document, Seventy-fourth Congress;  
 Intracoastal Waterway from Jacksonville to Miami, Fla.; House Document No. 180, Seventy-fifth Congress;  
 Melbourne Harbor, Fla.; House Document No. 390, Seventy-fourth Congress;  
 Miami Harbor, Fla.; Rivers and Harbors Committee Document No. 86, Seventy-fourth Congress;  
 Caloosahatchee River and Lake Okeechobee Drainage Areas, Fla.; Rivers and Harbors Committee Document No. 28, Seventy-fifth Congress;  
 Charlotte Harbor, Fla.; Rivers and Harbors Committee Document No. 95, Seventy-fourth Congress;  
 Sarasota Bay, Fla.; House Document No. 80, Seventy-fifth Congress;  
 St. Petersburg Harbor, Fla.; Rivers and Harbors Committee Document No. 71, Seventy-fourth Congress;  
 Steinhatchee River, Fla.; Rivers and Harbors Committee Document No. 87, Seventy-fourth Congress;  
 St. Marks River, Fla.; Rivers and Harbors Committee Document No. 77, Seventy-fourth Congress;  
 St. Josephs Bay, Fla.; Rivers and Harbors Committee Document No. 10, Seventy-fifth Congress;  
 Carabelle Bar and Harbor, Fla.; House Document No. 184, Seventy-fifth Congress;  
 Pensacola Harbor, Fla.; Rivers and Harbors Committee Document No. 96, Seventy-fourth Congress;  
 Mobile Harbor, Ala.; Rivers and Harbors Committee Document No. 69, Seventy-fourth Congress;  
 Vinton Waterway, La.; House Document No. 160, Seventy-fifth Congress;  
 Waterway from White Lake to Pecan Island, La.; House Document No. 78, Seventy-fifth Congress;  
 Sabine-Neches Waterway, Tex.; Rivers and Harbors Committee Document No. 3, Seventy-fifth Congress;  
 Louisiana and Texas Intracoastal Waterway, La. and Tex.; Senate Commerce Committee Document, Seventy-fifth Congress;  
 Brazos Island Harbor, Tex.; Rivers and Harbors Committee Document No. 32, Seventy-fifth Congress;  
 Ouachita and Black Rivers, Ark. and La.; Senate Commerce Committee Document, Seventy-fifth Congress;  
 Black River, Wis.; Rivers and Harbors Committee Document No. 23, Seventy-fifth Congress;  
 Indiana Harbor and Canal, Ind.; Rivers and Harbors Committee Document No. 13, Seventy-fifth Congress;  
 Ontonagon Harbor, Mich.; Senate Commerce Committee Document, Seventy-fourth Congress;  
 Cornucopia Harbor, Wis.; Senate Commerce Committee Document, Seventy-fifth Congress;  
 Green Bay Harbor, Wis.; Rivers and Harbors Committee Document No. 73, Seventy-fourth Congress;  
 Big Suamico River, Wis.; House Document No. 498, Seventy-fourth Congress;  
 Manitowoc Harbor, Wis.; Rivers and Harbors Committee Document No. 80, Seventy-fourth Congress;

Pensaukee Harbor, Wis.; House Document No. 478, Seventy-fourth Congress;  
 Harbors at Washington Island, Wis.; House Document No. 90, Seventy-fifth Congress;  
 Grand Haven Harbor, Mich.; Rivers and Harbors Committee Document No. 1, Seventy-fifth Congress;  
 Frankfort Harbor, Mich.; House Document No. 511, Seventy-fourth Congress;  
 Detroit River, Mich.; House Document No. 205, Seventy-fifth Congress;  
 Cheboygan Harbor, Mich.; House Document No. 134, Seventy-fifth Congress;  
 Saginaw River, Mich.; Rivers and Harbors Committee Document No. 21, Seventy-fifth Congress;  
 Put in Bay, Ohio; House Document No. 132, Seventy-fifth Congress;  
 Rocky River Harbor, Ohio; House Document No. 70, Seventy-fifth Congress;  
 Cleveland Harbor, Ohio; Rivers and Harbors Committee Document No. 84, Seventy-fourth Congress;  
 Fairport Harbor, Ohio; Rivers and Harbors Committee Document No. 79, Seventy-fourth Congress;  
 Ashtabula Harbor, Ohio; Rivers and Harbors Committee Document No. 78, Seventy-fourth Congress;  
 San Diego Harbor, Calif.; Rivers and Harbors Committee Document No. 89, Seventy-fourth Congress;  
 Newport Bay, Calif.; Senate Commerce Committee Document, Seventy-fifth Congress;  
 San Francisco Harbor, Calif.; Rivers and Harbors Committee Document No. 12, Seventy-fifth Congress;  
 Humboldt Bay and Harbor, Calif.; Rivers and Harbors Committee Document No. 11, Seventy-fifth Congress;  
 Crescent City Harbor, Calif.; Senate Commerce Committee Document, Seventy-fifth Congress;  
 San Joaquin River, Calif.; Rivers and Harbors Committee Document No. 15, Seventy-fifth Congress;  
 Suisun Channel, Calif.; Rivers and Harbors Committee Document No. 97, Seventy-fourth Congress;  
 Old River, Calif.; House Document No. 151, Seventy-fifth Congress;  
 De Poe Bay, Oreg.; House Document No. 202, Seventy-fifth Congress;  
 Skipanon Channel, Oreg.; House Document No. 201, Seventy-fifth Congress;  
 Columbia River between the mouth of the Willamette and Vancouver, Wash.; Rivers and Harbors Committee Document No. 81, Seventy-fourth Congress;  
 Columbia and Lower Willamette Rivers, below Vancouver, Wash., and Portland, Oreg.; House Document No. 203, Seventy-fifth Congress;  
 Westport Slough, Oreg.; House Document No. 79, Seventy-fifth Congress;  
 Elokomin Slough, Wash.; House Document No. 510, Seventy-fourth Congress;  
 Columbia River between Vancouver, Wash., and Bonneville, Oreg.; Rivers and Harbors Committee Document No. 94, Seventy-fourth Congress;  
 Bellingham Harbor, Wash.; Rivers and Harbors Committee Document No. 70, Seventy-fourth Congress;  
 Olympia Harbor, Wash.; Rivers and Harbors Committee Document No. 75, Seventy-fourth Congress;  
 Tacoma Harbor, Wash.; Rivers and Harbors Committee Document No. 91, Seventy-fourth Congress;  
 Douglas Harbor and Juneau Harbor, Alaska; House Document No. 249, Seventy-fifth Congress;  
 Wake Island; House Document No. 84, Seventy-fifth Congress;  
 Welles Harbor, Midway Island; House Document No. 49 and Rivers and Harbors Committee Document No. 9, Seventy-fifth Congress;  
 Guayanes Harbor, Puerto Rico; House Document No. 243, Seventy-fifth Congress;  
 St. Thomas Harbor, Virgin Islands; House Document No. 200, Seventy-fifth Congress;

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, line 15, strike out the word "Massachusetts;" and insert in lieu thereof "Massachusetts;"

Page 3, line 8, after the word "Waterway", insert the words "New York."

Page 6, after line 20, insert "Channel from Back Sound to Look-out Bight, N. C.; House Document No. 251, Seventy-fifth Congress."

Page 7, line 13, strike out "Congress." and insert "Congress;"

Page 11, after line 13, insert "Yaquina Bay and Harbor, Oreg.;"

Senate Commerce Committee Document, Seventy-fifth Congress."

Page 12, line 15, strike out "Douglas Harbor and."

Page 12, line 24, strike out "Islands;" and insert "Islands;"

The committee amendments were agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a number of additional committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. MANSFIELD: On page 2, between lines 19 and 20, insert "Newport Harbor, R. I.; Rivers and Harbors Committee Document No. 36, Seventy-fifth Congress."

On page 3, between lines 11 and 12, insert "Flushing Bay and Creek, N. Y.; Rivers and Harbors Committee Document No. 35, Seventy-fifth Congress."

On page 7, between lines 10 and 11, insert "Shipyard River, S. C.; Rivers and Harbors Committee Document No. 38, Seventy-fifth Congress."

"Savannah River below Augusta, Ga.; Rivers and Harbors Committee Document No. 39, Seventy-fifth Congress."

On page 8, between lines 19 and 20, insert "Bayous Petit Anse, Tigre, and Carlin, La.; Rivers and Harbors Committee Document No. 40, Seventy-fifth Congress."

On page 8, after line 26, insert "Channel from Pass Cavallo to Port Lavaca, Tex.; Rivers and Harbors Committee Document No. 37, Seventy-fifth Congress."

The committee amendments were agreed to.

The Clerk read as follows:

Committee amendment: Page 9, between lines 5 and 6, insert: "Mississippi River between Missouri River and Minneapolis, Minn.: The existing project is hereby modified in accordance with the recommendation of the district engineer in the report submitted in Rivers and Harbors Committee Document No. 34, Seventy-fifth Congress."

Mr. MANSFIELD. Mr. Chairman, it might be well to have some discussion on the amendment just read, for it pertains to seepage on the Mississippi River and is a new proposition.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. MANSFIELD. I may say to the gentleman from Iowa [Mr. EICHER] that we are now on this seepage proposition and I want the Members of the House to understand it because it is a new proposition. It is something we have never done before. I yield the balance of my time to the gentleman to explain it to the House.

Mr. EICHER. Mr. Chairman, this is a provision to take care of the seepage, backwater, and extra pumping-cost damages that will be caused to about 25 drainage and levee districts along the Mississippi River between Muscatine, Iowa, and St. Louis, Mo., by reason of the locks and dams of the 9-foot channel. It is a matter that has been under consideration by the Rivers and Harbors Committee for 7 or 8 years, I would say, and has been given very careful thought and study. The amendment that the gentleman from Texas [Mr. MANSFIELD] just referred to has been adopted by the Rivers and Harbors Committee upon the recommendation of the Corps of Engineers of the War Department. I do not believe that the House, with the confidence it has in the conscientious study that the Committee on Rivers and Harbors always gives to matters that are presented to it for consideration, cares to have me take time to go into a detailed explanation of what this involves. Numerous and exhaustive hearings have been held by the committee, which are available to Members who may wish to inform themselves more fully.

The CHAIRMAN. The question is on the committee amendment. The committee amendment was agreed to.

Mr. ROBERTSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ROBERTSON: Page 2, line 3, after the words "acts of Congress", insert "which said investigation and improvements shall include a due regard for wildlife conservation."

Mr. ROBERTSON. Mr. Chairman, it frequently occurs in river work and construction of dams that by due regard to conservation interests a dual purpose can be served. I do not imagine that anybody will have any objection to the insertion of the words carried in this amendment, that in formulating plans hereafter for the improvement of rivers and harbors the War Department, through the Secretary of War and the Corps of Engineers, shall give due regard to conservation interests.

I have in mind one particular example. During the war they wanted to expedite shipping in the Albemarle-Chesapeake Canal and they took out the locks. The salt water and the pollution from the harbor seeped into the Sound and into Back Bay, two of the greatest ducking areas on the Atlantic Coast were seriously affected. Conditions became so bad in those areas that the Government had to

put the locks back, and it cost \$500,000 to restore them. The gentleman from North Carolina [Mr. WARREN] reminds me that it took us 7 years to get them put back, during which time a great industry and a great natural resource was almost wiped out in that area.

I have shown this amendment to the chairman of the Committee on Rivers and Harbors who has no personal objection. I do not imagine any member of the committee will object, and I feel it may add something to the administrative value of this measure. The Corps of Engineers of the War Department is a brilliant organization and one of high efficiency. It will be encouraging to the conservationist of the country to have it give due regard to wildlife conservation in connection with its river and flood-control work.

Mr. CARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as one member of the committee, may I say I am very much in sympathy with this amendment, and I feel it will in no way hinder the river and harbor work. I feel it is a very constructive step toward the conservation of wildlife.

While it is true the committee did not consider this amendment, I am sure there is no objection from any member of the committee to the amendment.

Mr. THOMPSON of Illinois. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I favor the amendment offered to this omnibus river and harbor bill by the gentleman from Virginia [Mr. ROBERTSON]. I desire, however, to protest the present policy of the War Department in connection with the acquisition of lands on the upper Mississippi River between the mouth of the Missouri River and the cities of St. Paul and Minneapolis. I do not know whether all the Members of the House are familiar with the vastness of the 9-foot channel project on the Mississippi or not. It will cost the Federal Government about \$148,000,000 before it is complete—the construction program extending over a period of years. Most naturally it is necessary for the engineers to acquire outright or to obtain flowage rights in order to have some place for the water to go when this 9-foot channel project is placed in operation, it being, incidentally, a lock and dam project, from the head of the river down to just above St. Louis.

The Corps of Engineers, in my opinion, has been rather ruthless in their acquisition of land that is very suitable for conservation purposes. In the district I represent a good many citizens have invested large sums of money for camps, hunting lodges, and places to go fishing and are perfectly willing in most cases to grant the United States Government flowage rights upon the payment of \$1, and take their chance with reference to where the stage of water will be when the project is completed. But apparently that is contrary to the fixed policy of the Corps of Engineers, and I may say in passing I have no criticism of the Corps of Engineers and their fine work.

I think it is one of the outstanding departments of the Federal Government, but I disagree with their policy of taking over this land and not permitting owners to hold it and use it mostly for recreational purposes. In some cases where condemnation proceedings to take over this land used for recreational purposes has been started, the Corps of Engineers is cutting down all the trees, tearing out all of the underbrush, and every element that we commonly know in this country as suitable for wildlife conservation.

I think the Congress should take cognizance of this and action commenced in this body along the line suggested by the gentleman from Virginia to the end that what little wildlife we have in the Middle West may be preserved, and the owners of these hunting lodges and fishing shacks, if they may be called that, be permitted to retain their holdings and enjoy wildlife sports as they have for many, many years. I hope, therefore, that the committee will adopt the amendment now pending before the committee, because I believe it is a step in the right direction. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ROBERTSON].

The amendment was agreed to.

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: Page 8, after line 15, insert the following:

"Clearwater Harbor, Fla., including Big Pass, 12 feet deep by 200 feet wide, provided local interests guarantee maintenance satisfactory to the Chief of Engineers."

Mr. PETERSON of Florida. Mr. Chairman, this involves an improvement costing only \$31,500. The situation actually is this: Upon a survey it has been determined that the improvement will be of great benefit, and that the expenditure of this amount is justifiable questioning only this fact: The cost of cutting the pass is the small amount I have mentioned, but it was thought by the Corps of Engineers that in order to prevent the cut from silting it would be necessary to have jetties built, which would cost \$175,000. However, in the report of the Board of Engineers it is stated that it is conceivable the silting might be gradual over a period of time. This report came in only 2 days after this bill was reported by the committee, so we have not had time to have the necessary resurvey. However, in order not to embarrass the Committee, to be fair, and to show our interest in this project, in the amendment which I have proposed I have provided the following conditions, "Provided local interests guarantee maintenance satisfactory to the Chief of Engineers."

This project is a needed improvement. As a matter of information to the House the F. E. R. A. built a fish-canning and processing plant there, which, according to the report, will employ workers to the number of between 300 and 400. However, the channel is such that deep-draft fish boats cannot get into the harbor.

The amount involved is only \$31,500. We are willing to guarantee any form of maintenance the Chief of Engineers wants, and I have so provided in this amendment. We would also contribute a part of the cost. I sincerely trust the House will agree to the amendment.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. Yes.

Mr. DONDERO. Is the condition the gentleman sets up satisfactory to the Corps of Engineers?

Mr. PETERSON of Florida. They think the cut will silt in, but they do not know over how long a period of time.

Mr. DONDERO. Perhaps this suggestion may solve the gentleman's problem: Wait until the bill reaches the Senate, see if a report cannot be obtained from the Corps of Engineers, and then ask that the amendment be added when this bill reaches the Senate for consideration.

Mr. PARSONS. Mr. Chairman, if the gentleman will permit, I think the engineers have made a report.

Mr. PETERSON of Florida. Yes. The report is adverse, based upon supposition that the maintenance cost might be too great, and that protecting jetties would be needed. Frankly, the Corps of Engineers think it is too big an undertaking for us to attempt the maintenance of this channel, but my people are willing to maintain it and are willing to guarantee it. We will make the form of guaranty acceptable to the Army engineers.

I hope you will agree to this amendment.

Mr. CARTER. Has this matter ever been considered by the House Committee on Rivers and Harbors?

Mr. PETERSON of Florida. No; not formally. The report came in 2 days after the bill was reported by the committee. Frankly, the report is adverse. I do not mean to tell the Committee it is not, but the improvement is needed and this is recognized in the report, and the silting may be gradual.

Mr. CARTER. Then the gentleman is asking the Committee to agree to his amendment in face of the fact the gentleman has had an adverse report on his project and the Committee on Rivers and Harbors has never seen the gentleman's proposal at all. Is this the situation?

Mr. PETERSON of Florida. The rivers and harbors bill was reported out before the report of the Army engineers was received. The proposed amendment was submitted to the chairman of the committee.

Mr. CARTER. Yes; but the Committee on Rivers and Harbors considered a number of proposals which came in after the bill was reported. I think the gentleman is making a most unreasonable request when he comes in with an adverse report on a proposal which has never been considered by the Committee on Rivers and Harbors and asks this committee to insert in the rivers and harbors bill an amendment covering his proposal. I sincerely trust the Committee will not establish a precedent of this kind.

Mr. PETERSON of Florida. They were favorable reports, as I understand. The adverse report is based solely on the question of maintenance. Other passes are not jettied. Our engineers and the district engineers approve. Time alone will show, and we feel so sure that we will guarantee any form of maintenance the committee wants to write into the amendment.

I hope you will vote for the amendment.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the law provides that in making up rivers and harbors bills we shall first submit a survey to the Corps of Engineers of the War Department. They go upon the ground, make a thorough investigation, and report back every fact, with their recommendation either for or against the proposed improvement. After this is done, the committee goes further and holds most thorough investigations upon the proposals. We do not even adopt every project upon which the engineers report favorably, but we have never and cannot under the law report a project which has not been favorably reported upon by the engineers.

To abolish this rule will be to go back to the old pork-barrel schemes of 40 years ago, and the whole program will come into disgrace not only here but in the eyes of the country at large. We are getting a fairly clean program of river and harbor improvements now, and we have done so only by adhering strictly to the law. I have two projects in my district upon which I have unfavorable reports, both of which are far superior to the one now under consideration. I am not asking that they be put into this rivers and harbors bill, because it would be inconsistent for me to do so. I am not going to break the rule, and I hope the House will not break the rule and override the law. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. PETERSON].

The amendment was rejected.

Mr. PARSONS. Mr. Chairman, I ask unanimous consent that the reading of sections 2, 3, and 4, beginning at the top of page 13 and ending with line 7, on page 23, may be dispensed with and this portion of the bill printed in the Record, and that following the consideration of the committee amendments, amendments which any Member may desire to offer may be considered.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. PARSONS. I yield.

Mr. MANSFIELD. We have a number of surveys to add.

Mr. PARSONS. I am including them in this request.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The sections of the bill referred to are as follows:

SEC. 2. That the \$12,000,000 recommended for expenditure for a part of the Central Valley project, California, in accordance with the plans set forth in Rivers and Harbors Committee Document No. 35, Seventy-third Congress, and adopted and authorized by the provisions of section 1 of the act of August 30, 1935 (49 Stat. 1028, at 1039), entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", shall, when appropriated, be available for expenditure in accordance with the said plans by the Secretary of the Interior instead of the Secretary of War: *Provided*, That the transfer of authority from the Secretary of

War to the Secretary of the Interior shall not render the expenditure of this fund reimbursable under the reclamation law: *Provided further*, That the entire Central Valley project, Calif., heretofore authorized and established under the provisions of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is hereby reauthorized and declared to be for the purposes of improving navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings and in order to permit the full utilization of the works constructed to accomplish the aforesaid purposes: *Provided further*, That, except as herein otherwise specifically provided, the provisions of the reclamation law, as amended, shall govern the repayment of expenditures and the construction, operation, and maintenance of the dams, canals, power plants, pumping plants, transmission lines, and incidental works deemed necessary to said entire project, and the Secretary of the Interior may make and enter into repayment contracts with the Water Project Authority of the State of California and other necessary contracts, and may acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, water rights, and other property necessary for said purposes: *And provided further*, That the said dam and reservoirs shall be used, first, for river regulation, improvement of navigation, and flood control; second, for irrigation and domestic uses; and, third, for power.

Sec. 3. That for the purpose of improving navigation, controlling floods, regulating the flow of streams, providing for storage and for delivery of stored waters, for the reclamation of lands, and other beneficial uses, and for the generation of electric energy as a means of financially aiding and assisting such undertaking, the project known as "Marshall Ford Dam, First Stage", Colorado River project, in Texas, is hereby authorized and adopted and all contracts and agreements which have been executed in connection therewith are hereby validated and ratified, and the Secretary of the Interior, acting through such agents as he may designate, is hereby authorized to construct, operate, and maintain all structures and incidental works necessary to such project, and in connection therewith to make and enter into any and all necessary contracts including contracts amendatory of or supplemental to those hereby validated and ratified.

Sec. 4. The Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no supplemental or additional report or estimate shall be made unless authorized by law: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law:

Inland waterway between Merrimack River, Mass., and Hampton Harbor, N. H., by way of Black Rock Creek and Blackwater River.

Harbor of refuge at or in the vicinity of Swampscott, Mass.  
Scituate Harbor, Mass.  
Saugus River, Mass.  
Nantasket (Hull) Gut, Mass.  
Wellfleet Harbor, Mass.  
Padanaram Harbor, at South Dartmouth, Mass.  
Warren River and Barrington Harbor, R. I.  
Connecticut River, below Hartford, Conn., including North Cove in the town of Old Saybrook.  
Mianus River, Conn.  
Westcott Cove, Conn.  
Norwalk Harbor, Conn.  
Greenwich Harbor, Conn.  
Orowoc Creek, N. Y.  
Huntington Harbor, N. Y.  
Northport Harbor, N. Y.  
Bronx Kills and Harlem River, N. Y.  
Cedar Creek, N. J.

Inland waterway through Cumberland, Cape May, and Atlantic Counties, N. J., connecting the mouth of Fortescue Creek with Atlantic City.

Waterway from Pleasantville, N. J., through Lake Bay, to deep water at Atlantic City, including connecting channel to Ocean City.

Choptank River, Md.  
Duck Point Cove and Tedious Creek, Md.  
Lower Thoroughfare, Deals Island, Md.  
Town River, at Oxford, Md.  
Hearns Creek, Dorchester County, Md.  
Middle River and Dark Head Creek, Back River to Chesapeake Bay via Harts Island Narrows, and a cut-off channel from Gunpowder River to Chesapeake Bay via Spry Island Narrows, Md.  
St. Patricks Creek, St. Marys County, Md.

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Sloope Cove, an arm of Stoney Creek, Anne Arundel County, Md.  
St. Catherine's Sound, St. Marys County, Md.  
Mill Creek, Anne Arundel County, Md.  
Plum Point Creek, Calvert County, Md.  
Channel to Island Creek, St. Georges Island, St. Marys County, Md.

Channel connecting Herring Bay via Rockhole Creek to West River, Anne Arundel County, Md.

Smaller Drain, Assateague Island, Va.  
Channels at and near Hog Island, Va., with a view to their protection and preservation; also the protection of Hog Island and property thereon from erosion and storms.

Assateague Channel, Accomac County, Va., with a view to its protection and preservation; also the protection of Chincoteague Island and property thereon from erosion and storms.

Channel leading from Broadway Road, near Cashville, Accomac County, Va., to deep water in Onancock River.

Chincoteague Bay, Accomac County, Va., with a view to providing a protected anchorage and harbor for small boats at Chincoteague, Va.

Hulls Creek and Rogers Creek, Northumberland County, Va.  
Greenville (Fairweather) Creek, Lancaster County, Va.

Whitings Creek, Middlesex County, Va.  
Meachims Creek, Middlesex County, Va.

Queens Creek, Mathews County, Va., to provide adequate channel to deep water in Hills Bay.

Garden Creek, Mathews County, Va.

Western shores of Chesapeake Bay from Plum Point, York County, Va., to the waters of Hampton Roads, with a view to protecting the navigable waters of Chesapeake Bay and Hampton Roads from shoaling.

Roanoke River, N. C., from Weldon to Williamston, with a view to improvement in the interest of navigation and flood control.

Contentnea Creek, N. C., from a point near Wilson to its confluence with the Neuse River, with a view to improvement in the interest of navigation and flood control.

Waterway, approximately 8 feet deep and 50 feet bottom width, from Crescent Lake, Fla., by way of Haw Creek to Bunnell, thence by way of a land cut to the sea at Flagler Beach.

Canaveral Harbor, Fla.  
Channel from the Intracoastal Waterway to a point at or near Vero Beach, Fla.

Waterway from Punta Rasa, Fla., by way of the Caloosahatchee River and Canal, Lake Okeechobee, and St. Lucie Canal and River, to the Intracoastal Waterway at Stuart.

Hillsboro River, Fla., from the upper end of the existing project to Sulphur Springs.

Anclote River, Fla.  
Pithlachascotee River, Fla.

Hudson Creek, Pasco County, Fla.  
Weekiwachee River, Fla.

Florida River, Liberty County, Fla., and the Apalachicola River at and near the mouth of the Florida River.

Waterway between a suitable point on the channel from Apalachicola River to St. Andrews Bay, Fla., and a suitable point in St. Josephs Bay where the depth of said bay is 30 feet or more.

East Pass Channel from the Gulf of Mexico into Choctawhatchee Bay, Fla.

Valley Creek, Ala., to a point at or near Birmingham.  
Back Bay of Biloxi, Miss.

Lake Pontchartrain, La., between the New Basin Canal and the Industrial Canal, for a harbor of refuge.

Deep-water channel from New Iberia to the Gulf of Mexico.  
Sabine-Neches Waterway, Tex.

Texas City Channel, Tex.  
Channel from Palacios, Tex., and Camp John A. Hulen to the Intracoastal Waterway.

Corpus Christi, Tex., with a view to its protection by the construction of breakwaters, sea walls, or jetties.

Carter Lake, Iowa and Nebr.  
Meredosia Bay, Illinois River, Ill.

Tanners Creek, Dearborn County, Ind.  
Gladstone Harbor, Mich.

Escanaba Harbor, Mich.  
Miller Bay, Lake Winnebago, Wis.

Mona Lake (Lake Harbor) Channel, Mich.  
Kenosha Harbor, Wis.

The Indiana shore of Lake Michigan, with a view to the establishment of a harbor at the most suitable site.

Harbors at Glen Haven and Glen Arbor, Mich.  
The coasts of the Great Lakes, with a view to the establishment of harbors of refuge for light-draft vessels.

Grand Traverse Bay, Mich.  
Put in Bay, Ohio.

Ottawa River, Ohio.  
Wilson Harbor, N. Y.

Upper Newport Bay, Calif.  
Harbor at Playa Del Ray, Calif.

Monterey Harbor, Calif.  
San Lorenzo River, Calif.

Sonoma Creek, Calif.  
Benicia Harbor, Solano County, Calif.

Smugglers Cove (Short Sands Beach), Oreg.  
Channel at Knappton, Wash.

Columbia River at and in the vicinity of Camas, Wash.  
Unga Harbor, Alaska.

Seldovia Harbor, Alaska.  
 Waterway to connect Tenakee Inlet and Port Frederick on Chichagof Island, Alaska.  
 Wrangell Harbor, Alaska.  
 Craig Harbor, Alaska.  
 Grantley Harbor at Teller, Alaska.  
 Mount of Sinuk River, Alaska.  
 Elfin Cove, Alaska.  
 Myers Chuck Harbor, Alaska.  
 Jobos Harbor, Guayama, P. R.  
 Fajardo Harbor, Fajardo, P. R.  
 Guayanilla Harbor, Guayanilla, P. R.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 14, line 11, after the word "may", strike out the remainder of line 11 and all of lines 12 and 13, and insert the following: "enter into repayment contracts, and other necessary contracts, with State agencies, authorities, associations, persons, and corporations, either public or private, including all agencies with which contracts are authorized under the reclamation law."

The committee amendment was agreed to.

The Clerk read as follows:

Page 19, after line 14, insert:  
 "Beresford Creek, S. C., from river to Bridge Farm Wharves."

The amendment was agreed to.

Page 20, after line 4, insert:  
 "Waterway from Anclote River, by way of Lake Butler, to a point near Safety Harbor on Old Tampa Bay, Fla."

The amendment was agreed to.

Page 20, after line 20, insert:  
 "Gulfport Harbor, Miss.  
 "Bayou Legare, Miss., at the mouth of the Jordan River."

The amendment was agreed to.

Page 22, after line 9, insert:  
 "Collinsville Cut, Solano County, Calif.  
 "Werner Cut, near Werner, Contra Costa County, Calif."

The amendment was agreed to.

Page 23, after line 1, insert:  
 "Hilo Harbor, Hawaii, including consideration of methods to prevent shoaling by the flow of lava."

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a number of further committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. MANSFIELD: On page 16, between lines 10 and 11, insert:  
 "Boston Harbor, Mass."

The amendment was agreed to.

On page 17, between lines 2 and 3, insert:  
 "Rondout Harbor, N. Y.  
 "Great Kills, Staten Island, N. Y.  
 "Inland waterway from Delaware River to Chesapeake Bay, Delaware and Maryland, with a view to dredging a turning basin in the vicinity of the Chesapeake Cruising Club Docks at Chesapeake City."

The amendment was agreed to.

Page 17, line 20, strike out "Sloop" and insert "Eli."

The amendment was agreed to.

On page 18, between lines 4 and 5, insert:  
 "Pocomoke River, Md., from a point above Snow Hill to deep water in Pocomoke Sound.  
 "Inland waterway from Ocean City, Md., to Chincoteague Bay."

The amendment was agreed to.

On page 19, between lines 7 and 8, insert:  
 "Burwells Bay, Va.  
 "Southern branch of Elizabeth River, Norfolk Harbor, Va.  
 "Inland waterway from Norfolk, Va., to Beaufort Inlet, N. C., with a view to the protection of lands in the vicinity of the lock at Great Bridge against flooding by storm tides.  
 "Belhaven Harbor, N. C.  
 "Neuse River, N. C., with a view to improvement for navigation and flood control between the Johnson County line and New Bern."

The amendment was agreed to.

On page 19, between lines 23 and 24, insert:  
 "Channel from main channel of the Intracoastal Waterway to the mainland of Sebastian, Fla."

The amendment was agreed to.

On page 20, between lines 8 and 9, insert:  
 "Fenholloway River, Fla."

The amendment was agreed to.

On page 20, after line 24, insert:  
 "Mississippi River at and near New Orleans, La."

The amendment was agreed to.

On page 21, between lines 8 and 9, insert:  
 "Channel connecting San Antonio Bay, Tex., with the Gulf of Mexico."

The amendment was agreed to.

On page 21, between lines 21 and 22, insert:  
 "Petoskey Harbor, Mich."

The amendment was agreed to.

On page 22, between lines 8 and 9, insert:  
 "Noyo River, Calif., including harbor at the mouth thereof."

The amendment was agreed to.

Mr. WARREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WARREN: On page 19, strike out lines 8, 9, and 10.

Mr. WARREN. Mr. Chairman, it is quite evident that lines 8, 9, and 10, on page 19, were placed in the bill by mistake, as the survey for this river is now going on.

The amendment was agreed to.

Mr. WARREN. Mr. Chairman, I offer a further amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. WARREN: Page 19, after line 7, insert the following paragraph:  
 "Channel leading from the southeasterly end of Rollinson Channel, N. C., to the wharves in front of the town of Hatteras, N. C."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WARREN. Mr. Chairman, also the following amendment.

The Clerk read as follows:

Page 19, insert the following paragraph:  
 "Channel from Pamlico Sound through Pugh's Channel to the town of Rodanthe, N. C."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CARTER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CARTER: After line 12, on page 22 insert the following:  
 "Alamitos Bay, Los Angeles, Calif."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word. First of all, on behalf of the people of my district I wish to express my gratitude to the Rivers and Harbors Committee for the careful consideration given us in our part of Connecticut. We feel that the Rivers and Harbors Committee, so far as we are concerned, has done a fine, conscientious job, and, regarding other districts, too, I think that is the general feeling in the House.

Having said that, I call the attention of the Members of the House, and of course, respectfully, that of the chairman and members of the Committee on Rivers and Harbors, to a salient omission in the bill and that is the omission of an amount of money specifically designated to reopen the old closed railroad canal across New Jersey. I remind the committee that should anyone desire to navigate a pleasure craft or in fact any kind of a craft, inland, from New London, Conn., to Florida, that individual could complete that navigation with a small craft all the way from New London, Conn., to Florida, with the exception of a short strip of only 44 miles up and down the whole eastern seaboard of the United States, that is, 44 miles across the State of New Jersey. According to figures which I have,

and which I believe to be correct, for the sum of \$22,000,000—that is a lot of money, but think what we would get for it—those 44 miles across the State of New Jersey could be reopened and traffic could go inland all the way from New London, Conn., to Key West, Fla., and into the Gulf. But because of those 44 miles what must now be done? A craft must navigate outside in the Atlantic Ocean. Somebody may say that this takes only 2 hours.

This is true, but that craft in navigating during those 2 hours must navigate across waters, if it is lucky enough to do it, where the *Morro Castle* disaster took place, and where the *Vestris* disaster also took place. Turning the matter around positively, think what it would mean to the shipyards, think what it would mean to the resorts, and to the merchants up and down the Atlantic seaboard if those 44 miles could be reopened. I trust, and the people of my district hope, that before another river and harbor bill is brought before the Members of this House, \$22,000,000, or if it can be done for less, so much the better, may be appropriated to reopen those 44 miles of closed canal. [Applause.]

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. Yes.

Mr. GREEN. I am in sympathy with the project mentioned by the gentleman. It is obvious that this New Jersey canal should be opened. Then there will be an inland waterway to Jacksonville, Fla., and on to Miami, and with the completion of the canal across Florida, then we will have with the completion of the canal to which the gentleman refers in New Jersey, an inland protected waterway all the way from Boston to the Rio Grande River.

Mr. PHILLIPS. That is correct.

Mr. GREEN. It is obvious that those two links will be constructed, and I am glad the gentleman favors it.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. BRADLEY. Mr. Chairman, I rise in opposition to the pro-forma amendment to ask a question of the chairman of the committee. It is my understanding that projects in connection with the Delaware River are being considered right now by the Army engineers. However, I do not see them listed among those surveys which are authorized. Can the chairman tell me if they have been authorized by prior acts?

Mr. MANSFIELD. In reply to the gentleman I will say that the river and harbor bill of 1935 embraced the surveys for those projects which are now being considered by the engineers of the War Department. They have not yet reported upon them and therefore they do not appear in the present bill. We will endeavor to consider them impartially when the reports come in.

In regard to the Raritan Canal, I join with the gentleman from Connecticut [Mr. PHILLIPS] in his remarks. That lack of waterway across the State of New Jersey has been referred to as the "missing link" in the intercoastal waterway from Boston to Miami. However, that is also in the hands of the Army engineers. We have been working on that matter for years and years. They have submitted partial reports on several occasions, but the cost was so tremendously great that they have never been adopted. That canal was constructed many years ago by private interests. It fell into the hands of the Pennsylvania Railroad and, I now understand, belongs to the State of New Jersey, does it not?

Mr. PHILLIPS. Yes, sir; it does.

Mr. MANSFIELD. It is a complicated proposition.

In time a channel will be cut across New Jersey to connect the ports of Philadelphia and New York, not only for a barge canal but for a ship channel, and perhaps you may get it as soon as the gentleman from Florida gets his Florida ship canal. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

Sec. 5. That the Secretary of War is hereby authorized and directed to cause a survey to be made of the Ohio River and its tributaries to ascertain what pollutive substances are being deposited, directly or indirectly, therein and the sources and extent of such deposits, and with a view to determining the most feasi-

ble method of correcting and eliminating the pollution of these streams.

The survey herein authorized shall include comprehensive investigations and studies of the various problems relating to stream pollution and its prevention and abatement. In making these investigations and studies, and in the development and formulation of corrective plans, the Secretary of War may, with the approval of the Secretary of the Treasury, secure the cooperation and assistance of the Public Health Service, and may allot funds from the appropriation hereinafter designated to pay for such cooperation and assistance. The survey shall be completed as soon as practicable after the passage of this act, and the Secretary of War shall report the results thereof to the Congress, together with such recommendations for remedial legislation as he deems advisable.

The cost of the survey, and such incidental expenses as may be necessary in connection therewith, shall be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

Sec. 6. That all of that portion of Scajaquada Creek, Buffalo, N. Y., above a line 130 feet west of the west line of Niagara Street, be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States of America. That the right of Congress to alter, amend, or repeal this section is hereby expressly reserved.

Mr. MANSFIELD. Mr. Chairman, section 6 should be eliminated. A bill has already passed the House, reported by the Committee on Interstate and Foreign Commerce, covering this matter. I ask that it be stricken from the bill.

Mr. BEITER. Mr. Chairman, I move to strike out section 6.

The Clerk read as follows:

Amendment offered by Mr. BEITER: Beginning on page 24, line 8, strike out all of section 6.

Mr. BEITER. Mr. Chairman, in making this request I might explain to the committee that at the time the City Council of the City of Buffalo requested Scajaquada Creek to be declared a nonnavigable stream I asked the War Department to draft a bill for me that I might present to the House. At the time two bills were drafted. One was referred to the Committee on Rivers and Harbors and the other was referred to the Committee on Interstate and Foreign Commerce. I find that the Committee on Interstate and Foreign Commerce reported the bill on March 1, 1937, along with Report No. 332. It was on the House calendar and passed the House on March 15, 1937. It was reported in the Senate on April 29, 1937, and passed the Senate on May 3, 1937. It was approved on May 14, 1937, and is now Public Law No. 80. Therefore the legislation is unnecessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BEITER].

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, section 6 having been stricken out necessarily changes the numbers of the following sections. I ask unanimous consent that the Clerk may make all necessary corrections to correspond.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Sec. 7. That the project for the maintenance and operation of the lock and dam at Little Callao Landing, mile 62, Big Sunflower River, Miss., be, and the same is hereby, abandoned. That the right of Congress to alter, amend, or repeal this section is hereby expressly reserved.

Sec. 8. That the project for improvement of the existing channel of that section of the Sabine-Neches Waterway, Tex., south and west of Harbor Island from a point opposite Orleans Street, in the city of Beaumont, Tex., to the junction of the main channel in the Neches River, be, and the same is hereby, abandoned. That the right of Congress to alter, amend, or repeal this section is hereby expressly reserved.

Sec. 9. That authority is hereby granted to the State of Oregon, acting through its highway department, and to the city of Eastside, Coos County, Oreg., a municipal corporation organized under the laws of the State of Oregon, to construct, maintain, and operate, at a point suitable to the interest of navigation, a dam and dike for preventing the flow of tidal waters into Willanch Slough in Coos County, Oreg.

Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of Engineers and the Secretary of War, who may impose such conditions and stipulations as they deem necessary to protect the interests of the United States.

The authority granted by this section shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the

date of the passage of this act. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 25, line 21, strike out the word "act" and insert the word "section."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 10. That authority is hereby granted to the State of Oregon, acting through its highway department, to the North Slough Drainage District, and to the North Slough Diking District, organized under the laws of the State of Oregon, to construct, maintain, and operate, at a point suitable to the interests of navigation, a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., in township 24 south, range 13 west, Willamette meridian.

Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of Engineers and the Secretary of War, who may impose such conditions and stipulations as they deem necessary to protect the interests of the United States.

The authority granted by this act shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the date of the passage of this act. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 17, page 26, strike out the word "act" and insert the word "section."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 11. That the laws of the United States relating to the improvement of rivers and harbors, passed between March 4, 1913, until and including the laws of the first session of the Seventy-fifth Congress, shall be compiled under the direction of the Secretary of War and printed as a document, and that 600 additional copies shall be printed for the use of the War Department.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. LUCAS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 7051, pursuant to House Resolution No. 241, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. MANSFIELD, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Speaker, in the name of the people of the Twentieth Congressional District of California, I want to take this opportunity to thank the Members of the House and, in particular, the members of the Rivers and Harbors Committee for the consideration they have given the problem of dredging in San Diego Bay.

The Federal Government, with an investment of some \$40,000,000 and an annual pay roll of almost half that much, is deeply interested in the proper development of my part of the country.

Because of our strategic location, San Diego always will be the southwestern outpost of our national-defense structure. The greatest minds of this country are aware of the

value of a properly developed harbor in the first locality available within the continental limits of the United States north of the Panama Canal.

With only three natural harbors on the Pacific coast of the United States, we must ever guard most jealously, and conserve to the extent of our national ability, the superiority which the land-locked harbor of San Diego affords this Nation in its vital problem of national defense.

San Diego belongs to the Nation in an especial manner and in a more vital way than do most other sections of our great country. I am glad to see that San Diego's God-given advantages are recognized and that they receive the consideration to which their importance entitles them.

San Diego is proud to be of service to the Nation. It only asks that its natural advantages be fully developed for the benefit not only of its own citizens but for the greater benefit of all America. [Applause.]

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, the bill (H. R. 7493) entitled "An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes", insists upon its amendments to said bill, requests a conference with the House thereon, and appoints Mr. COPELAND, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. OVERTON, Mr. RUSSELL, Mr. McADOO, Mr. SHEPARD, Mr. TOWNSEND, Mr. BRIDGES, Mr. McNARY, and Mr. AUSTIN to be the conferees on the part of the Senate.

#### EXTENSION OF REMARKS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee on the rivers and harbors bill and to include therein one or two excerpts from extraneous sources.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### NONMILITARY ACTIVITIES, WAR DEPARTMENT

Mr. SNYDER of Pennsylvania. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, with Senate amendments, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SNYDER of Pennsylvania, DICKWEILER, TERRY, STARNES, COLLINS, CANNON of Missouri, POWERS, and ENGEL.

#### INTERSTATE TRANSPORTATION AND SALE OF NATURAL GAS

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 242.

The Clerk read as follows:

#### House Resolution 242

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6586, a bill to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, does the gentleman from Michigan desire any time under the rule?

Mr. MAPES. Mr. Speaker, as far as I know, there is no opposition to the rule or to the bill. Some Members on this

side would like a few minutes to discuss the bill, but we do not care to take any time on the rule.

Mr. O'CONNOR of New York. Mr. Speaker, this is a rule for the consideration of the so-called natural-gas bill. It is an open rule. The Rules Committee were informed that the Interstate and Foreign Commerce Committee were unanimous in their report.

I do not believe there is need for further discussion under the rule.

Mr. Speaker, I move the previous question on the rule.

The previous question was ordered.

The resolution was agreed to.

Mr. LEA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6586, with Mr. FADDIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. LEA. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as stated by the chairman of the Rules Committee, this bill was reported unanimously by the Interstate and Foreign Commerce Committee.

The statistics of the last 12 years tell an amazing story in reference to the gas industry of the United States. Today we have over 50,000 wells, located in 24 States, furnishing gas to consumers in 35 States. There are about 8,000,000 consumers in these 35 States.

In 1934, 1,770,000,000 cubic feet of gas was produced in this country. For this gas the consumers paid \$394,000,000; of which amount \$260,000,000 was paid for gas transported in interstate commerce.

Today we have 65,000 miles of gas-main pipe lines in the United States. In 1930, 302,000,000 cubic feet of gas was transported in interstate commerce. The amount today is the figure I just stated. Today over 41.5 percent of the gas produced in the United States moves in interstate commerce.

The domestic rates paid by the consumers at the present time is: For domestic use, 74.6 cents per 1,000 cubic feet; for commercial use, 49.6 cents; and for industrial use, 16.9 cents.

From 1934 to March 1936, the Federal Trade Commission investigated the gas industry for the purpose of recommending legislation to Congress. Thirty-six of the thirty-eight interstate gas companies reporting to the Federal Trade Commission reported a ledger value of these companies of \$1,600,000,000. This is the statistical background that gives the setting for this legislation.

The primary purpose of the pending bill is to provide Federal regulation, in those cases where the State commissions lack authority, under the interstate-commerce law. This bill takes nothing from the State commissions; they retain all the State power they have at the present time. This bill would apply to the transportation of natural gas in interstate commerce and to the sale of natural gas in interstate commerce for resale or public consumption.

Mr. THOMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. THOMPSON of Illinois. Is there anything in this bill that would affect the relationship through which the large industrial consumer buys natural gas directly from the pipe-line company and not through a local distributing company or agency?

Mr. LEA. The question there involved is whether the purchase is for private consumption or resale to the public.

Mr. THOMPSON of Illinois. It would be for private consumption.

Mr. LEA. If it is for private consumption, it would not be affected by this act. If it were for public consumption, the gas rate would be regulated.

Mr. THOMPSON of Illinois. There is an industry in my district, I may say to the gentleman, which I understand buys natural gas directly from the pipe-line company. It has established its own connection. As I understand, this bill does not purport to regulate such a transaction or existing contracts of that nature.

Mr. LEA. Not unless it falls within the class of public consumption. A natural-gas company engaged in the transportation or sale of gas, as I have just indicated, is subject to regulation under this bill.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. GREEVER. Do I understand from the gentleman's statement that where, for instance, each of two States has a public-service commission with jurisdiction of pipe lines this bill in no way affects their control of gas flowing through these pipe lines?

Mr. LEA. Well, it would depend on other circumstances.

This bill would not affect the local distribution of gas, but it might affect the city-gate rate that the local company would pay if it bought from an interstate company.

Mr. GREEVER. Then it would affect it to that extent?

Mr. LEA. Oh, yes, indeed. So far as the interstate price is concerned, it may very materially affect it. The interstate price would be subject to regulation by the Federal Power Commission. The city-gate rates in an interstate shipment could be controlled by the Federal Power Commission under this bill.

Mr. GREEVER. In other words, it would take the power away from the State commission to that extent?

Mr. LEA. The State commission does not have that power now.

The object of this bill is to supply regulation in those cases where the State commission has no power to regulate.

There are, however, some situations defined in the bill to which this regulation does not apply. One is local distribution on the principle that where commerce passes in interstate commerce and reaches the point of broken package, the local State commission then has the regulatory power. That same general rule applies to the transportation and sale of gas. So this act does not affect the local distribution of gas. It affects the local consumer's price only by regulating the price at the city gates. The facilities for local distribution are not within the power of regulation provided in the bill.

The bill does not apply to the production and gathering of gas.

Every gas company will be permitted to go into territories without restriction, with two exceptions: One is in the case of exportation or importation of gas over international boundaries, it will be necessary under those circumstances to get a permit from the Power Commission before that transaction may be carried on; the other exception is where one company enters a territory occupied by another, permission from the Federal Power Commission will be necessary to conduct that class of business.

In the main, this is what might be called standardized legislation. There is nothing particularly novel or new in the provisions of the bill.

Mr. BEVERLY M. VINCENT. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Kentucky.

Mr. BEVERLY M. VINCENT. In reference to the statement made just now, if a company wants to go into another territory, it must get permission from the Federal Power Commission?

Mr. LEA. To go into an already occupied territory.

Mr. BEVERLY M. VINCENT. That eliminates competition, does it not?

Mr. LEA. There is no prior competition there. Before you can have competition in the same territory a permit must be secured from the Power Commission; but there is

no general certificate of convenience and necessity required in order for a company to expand.

Mr. BEVERLY M. VINCENT. Will not the effect of this bill be to limit the competition in any field, or in any State?

Mr. LEA. It will be left to the Federal Power Commission.

Mr. BEVERLY M. VINCENT. And will not this regulation tend to increase the price to consumers?

Mr. LEA. No; it will not. The State commissions have been very strong in supporting this bill; believing it will save millions of dollars to the consumers of the country.

There are the usual provisions. Without attempting to go into detail, what I call usual provisions are those such as we find in all regulatory measures enacted by the Congress. This bill contains, for instance, administrative provisions; for rules affecting just and reasonable rates; for the power of the Commission to fix maximum or minimum rates or a specific rate after hearing; for the rule against discriminations and preferences as between consumers or localities; for the requirement that the schedules be kept open for public inspection; for the power of the Commission to suspend the rates where deemed unduly high. The bill covers the question of accounting, following standard lines; of giving the Commission the power to control the accounts, including the depreciation account; and of requiring the gas companies under the regulation of this bill to conform to those accounting practices.

Mr. HOUSTON. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Kansas.

Mr. HOUSTON. Where two competing companies are in competition with one another in one community, is that under the State regulation?

Mr. LEA. That remains as at the present time, if they are already there.

Mr. HOUSTON. If one gas-distributing company gets its gas from out of the State and brings it in, and the other gets its gas from within the State, how does the bill affect those companies?

Mr. LEA. In attempting to fix the rates of the company using the interstate gas, the city-gate rate would be fixed by this Commission.

Mr. HOUSTON. It would be fixed at the city gate in either event?

Mr. LEA. No.

Mr. HOUSTON. The State regulatory body takes care of the company within the State?

Mr. LEA. Yes.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from New York.

Mr. FITZPATRICK. Let us assume a State where they have a public service commission now and a company that brings gas in from another State. Can the State's public service commission regulate the price?

Mr. LEA. They cannot regulate the interstate transportation. They cannot regulate the city gate price; but they can fix the local rate within the State.

The bill makes provision for complaints and provides for hearings and has the usual provisions in reference to the production of testimony and rehearings by the Commission on petition, court review of the orders of the Commission, and, a rule, that the findings of the Commission, if supported by substantial testimony, are conclusive upon courts in connection with questions that may be taken to the courts.

Those are what might be called the principal provisions of the bill.

Mr. HOOK. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Michigan.

Mr. HOOK. Will this in any way limit competition as between gas companies?

Mr. LEA. It will be subject to regulation by the Power Commission in every instance; whether or not one company may enter the territory of another, in a community already occupied, will be up to the Power Commission. But there is no exclusion of any company by law.

Mr. HOOK. It would be under the supervision of the Power Commission?

Mr. LEA. Yes. The Federal Power Commission has absolute supervision of rates within its jurisdiction.

Mr. HOUSTON. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Kansas.

Mr. HOUSTON. I understood the gentleman to say a moment ago that the committee unanimously reported this bill.

Mr. LEA. Yes; they did.

Mr. HOUSTON. May I ask whether any opposition to the bill was indicated in the hearings; and if so, from what source it came?

Mr. LEA. Some of the representatives of the gas companies opposed the bill. Most of the discussion in criticism of the bill was in connection with the suggestions of certain amendments or changes. However, the committee worked out this bill, which seems to be pretty generally accepted without opposition.

Mr. HOUSTON. There is no opposition to speak of from any of the distributing companies, gathering companies, or pine-line companies?

Mr. LEA. No; they have taken the general attitude that while they do not advocate it, if we are going to have a bill, they have no particular objection to this bill.

Mr. SACKS. Mr. Chairman, will the gentleman yield for a question?

Mr. LEA. Yes.

Mr. SACKS. In the operation under this bill, will the commission have the authority to order a cut in the rate, pending a hearing when it finds a rate is excessive?

Mr. LEA. It will.

Mr. SACKS. In other words, the commission can order a cut in the rate and then hold a hearing later, if it sees fit under the circumstances?

Mr. LEA. Yes; they have the 5 months' suspension rule.

The gentleman from Illinois, I believe, mentioned this matter a few moments ago. I have statements indicative of the attitude of the commissions of a number of the States, as expressed to the committee. For example, Mr. Booth, of the Illinois Commission, appeared before the committee and made the following statement:

It is my opinion that if Congress does not confer upon the Federal Power Commission the power promptly to control interstate natural gas wholesale rates, the people of Illinois may be compelled to pay, during the next 10 years, from twenty to thirty-five million dollars in excessive charges.

I do not know that he is exactly right on the figures, but I mention this to show the attitude of the State commissions, as reported to the committee.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. LEA. Yes.

Mr. PHILLIPS. The gentleman stated a few minutes ago that no natural-gas company could come into a field already occupied by a company without a hearing by the Commission. Do I correctly understand that is the effect of this bill?

Mr. LEA. Yes.

Mr. PHILLIPS. How would that serve to keep down charges to the ultimate consumer? I should think it might keep charges up, due to the fact the monopoly was preserved.

Mr. LEA. Ordinarily the community wants the services performed by one company; because, in such a case, the people can have better service than they can have with the facilities of two companies going through the streets of the same community.

Mr. PHILLIPS. Suppose the company which wanted to come in would offer a cheaper rate?

Mr. LEA. The Commission has power to let them come in.

Mr. BEVERLY M. VINCENT. When a company came in and offered to sell at a lower rate, would not the issue then be before the Commission as to which company was right, and would not the company already on the ground, but charging a higher rate, offer evidence that its rate was fair? Would not this issue then be submitted to the Commission?

Mr. LEA. Absolutely.

Mr. BEVERLY M. VINCENT. Then, would not this tend to put the price higher all the time?

Mr. LEA. It is the duty of the Commission to allow a reasonable rate—reasonable to the consumer and reasonable to the company.

Mr. BEVERLY M. VINCENT. The Commission would have power to deny to the company, which wanted to compete and sell at a lower rate, an opportunity to enter the field and sell at that lower rate?

Mr. LEA. The Commission decides the question from the viewpoint of the public interest and not from the viewpoint of the welfare of that company.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. LEA. Yes.

Mr. VOORHIS. Is it not true that in any community where there is a duplication of public-service facilities, such as parallel gas mains, and so forth, inevitably the community must pay for this additional and unnecessary expense in higher charges before it gets through?

Mr. LEA. It does.

Mr. VOORHIS. Therefore, the only solution is the one suggested in this bill, namely, effective regulation of rates with one company?

Mr. LEA. Duplication means inferior service or, in the end, higher prices.

This act proposes Federal regulation of the transportation of natural gas in interstate commerce, which, in the final analysis, contemplates Federal regulation of indiscriminate interstate duplication of service, interstate service of inferior character, and fair and reasonable interstate rates.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the purpose of this bill is to provide Federal regulation and control of the interstate transportation and sale of natural gas.

Over a period of years the need for this type of legislation has become increasingly apparent. The State regulatory bodies have wide and comprehensive jurisdiction to fix rates and otherwise regulate and control the sale of natural gas to consumers within the State but do not have any jurisdiction in fixing the rate to the distributing company or the municipality when the purchase of the gas is made from an outside source. This comes within the field of interstate commerce and the jurisdiction over such is denied entirely to the State regulatory bodies and lodged completely in the Federal Congress.

It can be readily seen that the price to be paid by the consumer depends largely upon the price the local distributing company or municipality has been required to pay to the outside producer. Therefore, if the consumer is to be given the benefit of purchasing gas at fair and reasonable rates there must be some regulation of the producing company engaged in the interstate transportation and sale of gas. It is therefore the purpose of this legislation to close the gap now existing between Federal and State regulation and control and confer upon the Federal Power Commission the right, duty, and authority to exercise such regulatory power in fixing a fair and reasonable rate for gas that is a part of interstate commerce. It seeks to give similar power to regulate and control interstate commerce in gas as now exists in State regulatory bodies with respect to transactions entirely within the States.

The enactment of this legislation is sought by the utility commissioners of the several States, by municipalities and States, and by the consuming public. It is meritorious and of a type that past experience has shown to be necessary in the public interest. There are also provisions within the proposed law that seek to provide some measure of conserving the great natural-gas fields from unnecessary use and consequent waste.

The bill has had careful study and consideration by the Committee on Interstate and Foreign Commerce during the last session of Congress and also at the present session. It has the unanimous approval of the membership of the com-

mittee and deserves the favorable consideration of the membership of the House. [Applause.]

Mr. MAPES. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I think the purposes of this bill have all been rather well stated, but possibly I can add a few words which may explain the purposes a little more clearly to the membership of the House.

In the past few years the interstate transportation of gas in large pipe lines at high pressure had been growing by leaps and bounds. Gas is brought from the producing areas in these pipe lines and sold at the city gates to the public utilities which distribute the gas to the consumers. It is obvious the distribution of the gas by the local distributing company is subject to State regulation and the interests of the consumers are protected by State regulation. However, the transportation of gas in interstate commerce in the pipe lines and its sale to the distributing companies for resale is not subject to State regulation, and as a result, we have had a situation under which the price charged the distributing company at the city gate has been fixed wholly by the judgment, discretion, or action of the interstate company. It is charged that in many cases that price is excessive. This bill seeks to regulate those prices.

Now, some question has been raised here about the possibility of setting up a monopoly under the provisions of this bill and that effects on price to the consumer arising out of competition might be destroyed. May I point out in this connection that the reason for this bill, the reason the cities and the consumers' representatives asked for this bill is that they say that competition has heretofore failed to bring the wholesale price down. In other words, competition has not operated to keep the price down and as a result they say to Congress, "This gap that has existed must be filled by the intervention of the Federal Government."

There is ample precedent for this sort of legislation, not only in other measures heretofore enacted by Congress affecting interstate activities of other similar utilities, but there is ample precedent in the action of the States by which they have undertaken to regulate rates of natural gas companies in intrastate business. The States, as I have suggested, have not been able heretofore to regulate the wholesale price in interstate commerce.

Competition in this regard has been ineffective, and as a result, even though the prices of the distributing company to the consumers have been kept within reasonable limits, insofar as the activities of the distributing company are concerned, real protection has not been available to the ultimate consumer, because in many instances the transportation company, transporting in interstate commerce, has charged a rate which is higher than is deemed fair and reasonable.

So it occurs to me this is an entirely proper field for governmental intervention.

The question was asked as to whether or not the price that might be charged to a manufacturer who buys direct from the transportation company would be affected by this bill. As I view it, the answer to that question is that this bill seeks only to reach those sales where the sale is for resale to the ultimate consumer. So a purchaser for industrial use, who bought the gas, not for resale, but for consumption in his own plant, would not be reached by the measure. Any purchase from an interstate carrier by a distributor for the purpose of resale for ultimate public consumption would be reached.

We have heretofore enacted in the Congress a bill to regulate the bituminous-coal industry. We have Federal regulation of the interstate transportation and sale of electrical energy. They all deal with public utilities or businesses said to be charged with a public interest. That is the reason this bill, dealing as it does with a competing commodity and a competing service, should, in my opinion, be passed to the end that the natural-gas industry shall be brought within the realm of Federal regulation so that the public interest and the interest of the ultimate consumer generally shall be protected.

My opinion is that the operations of the Federal Power Commission in applying this act will be in the regulation of rates downward, not in the regulation of rates upward, and I am inclined to believe that if this regulation is to be applied that the public interest will be served by putting into effect the certificates of convenience for which this bill provides, to the end that the companies coming under this bill, and to be regulated by it, may know that they may extend their facilities under the protection of this bill. In the long run such a provision will promote the public interest.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. HOUSTON. Where a distributing or pipe line or gathering company in interstate commerce brings the gas into a State and then sells at the city gates to a distributing company, which is their own company under a different name, would not this regulation have a tendency to lower the price rather than to raise it? As I understand, heretofore they can charge any rate they want at the city gates and the city or distributing company has to regulate their rates according to the prices they pay the carrier.

Mr. HALLECK. That is right.

Mr. HOUSTON. This bill would regulate that, and has it not been a further fact that in a great many instances where the carrier has been attempted to be regulated by the State, they have prevented that by saying that the Federal Government should do it, although heretofore we have not had any Federal Government regulation.

Mr. HALLECK. That is correct.

Mr. HOUSTON. And when the Federal Government attempts to do something along that line they say that it is a matter of State rights, but this bill will reach that entire situation.

Mr. HALLECK. I think the bill reaches what has heretofore been an unregulated field in interstate commerce, and, of course, in my opinion, the bill will reach exactly the situation to which the gentleman refers, otherwise there would be no excuse for its enactment.

Mr. HOUSTON. Is not this a bill that was originated about 2 years ago, or about the time the utility question was up for consideration, and this measure was not perfected at that time?

Mr. HALLECK. I think the principal agitation for the bill has arisen in the last few years, and probably as a result of the fact that in earlier years the gathering, transportation, and sale of natural gas was largely an intrastate matter. More recently many of the States that had a small supply are now without a local supply, and as a result the great end of the natural-gas business involves interstate commerce and transportation of the gas in interstate commerce.

Mr. HOUSTON. That is right. When an interstate company brings gas into a State and turns it over to a distributing company for industrial needs, it is regulated under this bill?

Mr. HALLECK. If they sell to the industrial user who is to use it rather than resell it, they are not reached by this bill; but if they sell to a distributor who distributes, say, to commercial users and domestic users, then that commercial use would be reached by this bill.

Mr. HOUSTON. What kind of a situation would we have if an intrastate company, a gas pipe line, a carrier in a State in competition with the other, would have to resell it to a distributor?

Mr. HALLECK. Of course, this bill would not reach it at all if it is intrastate. That would be without the realm of Federal regulation.

Mr. THOMPSON of Illinois. If that is true, the interstate carrier would come under the control of the State regulatory body, if it became a distributor for State use.

Mr. HOUSTON. I guess that is right.

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Chairman, the House should realize that the measure we are dealing with today is of extreme importance, more so than the attendance and the time taken in the discussion would seem to indicate. It is the

culmination of one of the most far-reaching, intensive studies of the Federal Trade Commission I assume that that Commission ever conducted, and last year found a place in not identical language but very similar in the Rayburn bill, the famous holding-company bill, as part 3 thereof. Our committee eliminated part 3, as members will recall, and saved it for a separate measure reported out as it was last year, which was not considered by the House, but is here today in improved form.

Briefly I want to reply to the question, if I may supplement what the distinguished chairman of our committee said, of the gentleman from Kentucky as to what effect this bill will have in requiring certificates of necessity for an area already served. This bill means the same as in railroad regulation, that it is foolish to permit another railroad to come into an area already adequately served, charging rates under the regulation of a commission, such as the Federal Power Commission, unless justification therefor can be shown. As the gentleman from Kansas [Mr. HOUSTON] pointed out so appropriately a moment ago, the main trouble with the natural-gas problem today—an industry supplying more fuel and power than the electric utilities of this country do, coming into all the large cities of this Nation, charging what they please at the city gate, a price determined by a private contract with a local company under regulation as to everything except the price paid to the interstate activity coming from the Panhandle and other parts of the country, which the courts locally cannot reach. Under the passage of this bill a company enjoying, you might say, a monopoly in the city of Chicago, if but one line serves that city, would be forced to charge a fair and reasonable rate, and our Commission, if we have confidence in them, as we do, would see to that, and of course the public could not obtain any benefit by competition coming in, because that competition would be likewise regulated.

I remind the House of this fact. When we pass this bill without any apparent opposition, the people of this country demanding it, it will affect not only the great cities where gas is consumed, but the little fellow in my State back through the rural sections in whom I am interested, where these pipe lines have been running for years, and perform no service to the people along them. They are under no regulation whatever. After this bill is passed, I think the rural sections, having given the rights away to these lines feeding the great metropolitan sections of the country, will find through the machinery of this law a medium of relief so that service will come to them. I remind the House that in passing this bill, without opposition, it is going to cost a considerable sum for the Federal Power Commission to enforce it, as I think all of us want to see it enforced. Do not be surprised, therefore, if the Federal Power Commission, seeking to operate under this new law, not only asks for adequate money to improve the rate structure at the city gate, but under the more important provision goes down into the great gas fields of this country and appraises them for the first time, giving to us a physical valuation of this wonderful resource, in building up a proper rate structure. I hope that the Committee on Appropriations of this House will not try to dictate from a legislative standpoint what the policy of the Federal Power Commission will be, a practice they are falling into so conspicuously lately, especially the subcommittee on War Department appropriations. I remind that committee that this bill is going to cost no small amount to enforce, and, with the unanimous approval that this bill is receiving from the House we expect that kind of reception at the hands of the Appropriations Committee. It should not be other than the policy of the Appropriations Committee to carry out the mandates of the Congress as dictated from a policy standpoint by the legislating committees.

I hope to obtain permission to extend my remarks, and at greater length will insert some interesting statistics from the hearings and some law pertaining to this subject, which law and statistics will furnish an interesting summary and abundance of reason for the wise step taken in this legislation.

Mr. LEA. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Chairman, sometime ago the Federal Trade Commission made a very thorough investigation of the facts underlying the gas situation in the United States. They did remarkably good work in their investigation and made appropriate recommendations. It is very desirable that the recommendations of the Commission be made effective and the legislation now before us is for that purpose.

For many years I have advocated this type of legislation for the regulation of the sale of natural gas. There has been much trouble on the part of local communities in their efforts to secure a fair rate from the gas companies. Most of the people in the eastern part of the United States consume gas that is produced in another State. As a consequence, any regulation that is attempted either by cities or by public-utility commissions of the States is almost useless. This is so because the people of such cities are required to pay to the producing company in another State a price generally unreasonable because there is no constitutional authority in the city councils nor the public-utility commissions of the State in which such cities are located which enables them to order the sale, at a reasonable rate, of gas produced in another State.

A very glaring example of what happens as a result of this lack of authority is the case of West Virginia and Virginia. In West Virginia they pay 35 cents per thousand cubic feet for gas. From the same gas pipes gas is delivered just a few miles over the border in Virginia, at Lexington, at a price of \$1 per thousand cubic feet. That is possible only because Virginia has no authority to fix the price at which the West Virginia Co. must sell in Virginia. The same thing is true in the case of Ohio and West Virginia. When the local company in Ohio had their rates challenged by the city authorities in the first place, and later by the State public-utilities commission, the distributing company answered that it was compelled to pay a certain price to the Hope Gas Co., which was a West Virginia company, and so had to charge the Ohio cities accordingly. The Hope Co. and the East Ohio Gas Co., which sold the gas to the Ohio consumers, were owned and operated by one holding company, the Standard Oil Co. of New Jersey. That is what occurs throughout the country.

This legislation will protect the public from being charged wholly unreasonable prices for gas. There should be no opposition to this bill. I hope that it will pass unanimously. [Applause.]

The CHAIRMAN. The gentleman has consumed 4 minutes.

Mr. LEA. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I agree with the gentleman from Ohio [Mr. CROSSER] that this is a piece of legislation we should have had for a long time. In my own State we have a situation where we buy gas produced in the panhandle of Texas that is moved through one corner of the State of Oklahoma and back into Texas, and it is interstate commerce. The Texas Railroad Commission cannot control it. We need the regulation. People who are paying for that gas, as small consumers, are entitled to have that regulation. But, on the other hand, this question arises—and I think it is fair that it should have consideration: If we give the Federal Power Commission the right to control these rates, they will have a right, and it will be their duty, to regulate the price of industrial gas, which is in direct competition with other forms of fuel, as well as to regulate the price of gas consumed by the individual in his home. I know there will probably be an amendment offered to exempt industrial gas from the regulation; but if you exempt industrial gas from the regulation and still allow the Commission to fix the price on the domestic consumers' gas, you have to allow a fair return on the entire investment.

Mr. THOMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. THOMPSON of Illinois. Does the gentleman mean industrial gas as sold by the pipe-line companies or industrial gas sold by the distributing company?

Mr. POAGE. It is always sold by the distributing company, as I understand it. The pipe-line company sells to the distributing company, but under the present set-up they have a different scale of prices to the distributing company, depending upon whom the distributing company is selling it to. As a matter of fact, gas piped out of the Texas Panhandle today to the city of Chicago sells to the domestic consumer, I understand, as high as \$1.50 per thousand cubic feet when mixed with artificial gas, but when sold to industrial concerns I have been informed that some of it sells as low as 9 cents per thousand cubic feet. There is a positive loss in the sale of that gas, yet the gas companies, in order to control that market, are taking that loss. If this amendment is placed on here, and it is the only way you can protect the gas, but if you do put it on without anything else you have then opened the door for the gas company to claim they are entitled to charge the domestic consumer sufficient to pay a return on their entire investment. You cannot escape a fair return. They will claim that they are entitled to pay a fair return on the entire investment, probably one-half or one-third of which is being used to transport industrial gas. That is unfair to the domestic consumer. You should put on a further amendment providing that in taking into consideration the amount of the investment, they should not include that portion of the investment that is devoted to the transportation of the industrial gas through these industrial pipe lines.

Mr. COLE of Maryland. Will the gentleman yield?

Mr. POAGE. I yield.

Mr. COLE of Maryland. If we would put the gentleman's language into the bill, it could not express better the intention of this committee. This matter was discussed in executive session of the committee, and the very argument which the gentleman is making is what controlled the committee.

Mr. POAGE. I thank the gentleman. If this amendment is put on, I then propose to offer an amendment to fix the valuation so that they shall include only that portion of the valuation that is used in moving domestically consumed gas.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAPES. Mr. Chairman, as far as I know, there is no opposition to this bill. I do not know of any Member of the House or anyone else who opposes it. It is supported by the public utility commissions of the States and by all public bodies, as far as I know, who have anything to do with or have given any particular attention to the question of the distribution and sale of natural gas to the consuming public. As a matter of fact, my attention has not been called to any opposition to it, even on the part of the gas companies themselves.

One of the principal proponents of the legislation to appear before the Committee on Interstate and Foreign Commerce was the Honorable John W. Smith, formerly mayor of the city of Detroit, who appeared in his official capacity as national chairman of the Cities Alliance, an association of midwestern cities formed some 2 years ago in an endeavor to collaborate and cooperate for the purpose of securing natural gas at proper rates, and as chairman of the Natural Gas Committee of the United States Conference of Mayors. As Mr. Smith said before the committee, he had been working for years to secure natural gas for his city of Detroit and other Michigan cities.

The bill is well drafted. As the gentleman from California [Mr. LEA], the chairman of the committee, has well said, the provisions of the bill are largely the standardized provisions contained in most regulatory acts. The interstate transportation of natural gas is largely the development of the last few years—a trifle over 10 years. It began to expand about the time of the invention and adoption for general use of the seamless pipe. There are now about 50,000 miles

of natural-gas pipe lines throughout the country. Its comparatively recent development undoubtedly accounts for the fact that there has been no national legislation upon the subject before. The Committee on Interstate and Foreign Commerce reported a bill quite similar to this one in the last Congress, but it was not taken up in the House. This bill contains one provision which was not in that bill—namely, the provision which requires a company desiring to put in a pipe line in competition with an existing pipe line to obtain from the Federal Power Commission a certificate of convenience and necessity before it can install such competing line. This seems to the committee a desirable feature and, as the gentleman from Maryland has said, it is a provision required in railroad and other legislation relating to the regulation of public utilities.

State commissions have power to regulate the distribution and sale of natural gas produced and consumed within the States. They also regulate the distribution and sale at retail of natural gas shipped in interstate commerce after its interstate character ceases, but there is no regulation, either by Federal or State authorities, of the transportation or sale of natural gas in interstate commerce. This bill proposes to fill the gap which now exists. It gives the Federal Power Commission power to fix the cost of the transportation of natural gas shipped in interstate commerce and the wholesale price which may be charged for it at the consuming centers. The State commission will continue to have authority to regulate the retail distribution of the gas after the enactment of this legislation the same as they now have.

The bill contains the usual provisions authorizing the Federal Power Commission to ascertain the actual legitimate cost of the property used in the interstate transportation of natural gas in order to enable it to determine the cost of such transportation and after such determination to fix just and reasonable rates for the transportation of it and just and reasonable prices for the sale of the gas. The Commission in its discretion may require the gas companies to file with it an inventory of their properties and to give the original cost of the same. It may also fix the rates of depreciation and amortization of the property.

The only provision in the bill which seems to look to the conservation of the natural gas resources of the country is contained in the provision relating to the State compacts. It is made the duty of the Federal Power Commission to assemble pertinent information relative to such compacts, to make public and report to Congress information so obtained, together with its recommendations for such further legislation as it thinks desirable to carry out the purpose of any State compact and to conserve the natural gas resources of the United States.

The bill has been carefully considered and worked out by the Committee on Interstate and Foreign Commerce. I believe that it is well drafted and will give the Federal Power Commission the necessary power to carry out the purposes sought to be accomplished by the legislation. It should be speedily enacted into law.

In order to keep the record straight, I propose to offer an amendment to the bill under the 5-minute rule to strike out section 18, which authorizes the Commission to appoint attorneys, experts, officers, and examiners without regard to the civil service and to fix their compensation without regard to the Classification Act. This is an old story and it is unnecessary to dwell upon it at any great length at this time. It is hard to overstate the seriousness of such a provision. It has been generally recognized that a similar provision in the Social Security Act has resulted in something approaching a scandal in that organization, with the result that Congress singled it out and enacted a rider upon a recent appropriation bill requiring that all appointees to positions in that organization receiving a salary of \$5,000 or more per year must be confirmed by the Senate, and the other day the President recommended that such positions be filled in accordance with the civil-service laws and regulations. At the proper time I intend to offer a motion to strike out section 18 and to substitute therefor a provision requiring that all employees necessary to be appointed by

the Commission to carry out its functions under this act shall be appointed in accordance with the civil-service laws and regulations, and that they shall be paid for their work as provided in the Classification Act.

Mr. LEA. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Chairman, there is no natural gas produced in New Jersey and none comes into the State so far as I have been able to learn. The State, however, is a big consumer of artificial gas. Natural gas is consumed in 35 of our States, some of which are in the neighborhood of and surrounding New Jersey. I hope that the day is not far distant when natural gas will be piped into our State for use by our people.

Natural gas is produced in 24 of our States, mostly in the West and Southwest. It is piped into the Middle West and over into the East. Many State commissions have had great difficulty in fixing reasonable rates for consumers for the reason that State commissions have had no power over the interstate activities of the pipe-line companies. The pending bill gives to the Federal Power Commission authority to sit as an independent board or with a State board as a joint board to enforce this act and to bring about regulation that will result, I believe, in an improvement of conditions and reduction of rates so that consumers in States using natural gas will have a fair and reasonable rate.

In this bill it is provided that the board shall fix a proper and just depreciation which may be charged by pipe-line companies. Furthermore, it has the power to fix the reserve which pipe-line companies may charge against the consumer.

As the situation stands now, the pipe-line companies owning the oil fields can purchase any amount of land they wish and charge the value of all of that land as a reserve in fixing the rate at which the gas is sold at the city line when it is delivered over for resale in any State or community.

There is no opposition to this bill. I believe that results largely from the time and effort that has been spent on the bill. This bill was a part of the utility holding company bill, constituting title III of that bill. The committee felt it would be better to separate the natural-gas features and give them special care and attention. The bill comes on the floor for consideration after having been fully and carefully considered by the committee. Various phases were considered by a subcommittee which had in charge the oil bill which was enacted by the Congress and reenacted the other day. The chairman of that subcommittee, the gentleman from Maryland [Mr. COLE], has given very intensive study to the question and I believe this bill reflects his ability, his energy, and his great concern for the people of this country. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,*

#### NECESSITY FOR REGULATION OF NATURAL-GAS COMPANIES

SECTION 1. (a) As disclosed in reports of the Federal Trade Commission made pursuant to Senate Resolution 83 (70th Cong., 1st sess.) and other reports made pursuant to the authority of Congress, it is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest.

(b) The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

SEC. 2. When used in this act, unless the context otherwise requires—

(1) "Person" includes an individual or a corporation.

(2) "Corporation" includes any corporation, joint-stock company, partnership, association, business trust, organized group of

persons, whether incorporated or not, receiver or receivers, trustee or trustees of any of the foregoing, but shall not include municipalities as hereinafter defined.

(3) "Municipality" means a city, county, or other political subdivision or agency of a State.

(4) "State" means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

(5) "Natural gas" means either natural gas unmixed, or any mixture of natural and artificial gas.

(6) "Natural-gas company" means a person engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of such gas for resale.

(7) "Interstate commerce" means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, but only insofar as such commerce takes place within the United States.

(8) "State commission" means the regulatory body of the State or municipality having jurisdiction to regulate rates and charges for the sale of natural gas to consumers within the State or municipality.

(9) "Commission" and "Commissioner" means the Federal Power Commission and a member thereof, respectively.

#### EXPORTATION OR IMPORTATION OF NATURAL GAS

Sec. 3. After 6 months from the date on which this act takes effect no person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest. The Commission may by its order grant such application, in whole or in part, with such modification and upon such terms and conditions as the Commission may find necessary or appropriate, and may from time to time, after opportunity for hearing, and for good cause shown, make such supplemental order in the premises as it may find necessary or appropriate.

#### RATES AND CHARGES; SCHEDULES; SUSPENSION OF NEW RATES

Sec. 4. (a) All rates and charges made, demanded, or received by any natural-gas company for or in connection with the transportation or sale of natural gas subject to the jurisdiction of the Commission, and all rules and regulations affecting or pertaining to such rates or charges, shall be just and reasonable, and any such rate or charge that is not just and reasonable is hereby declared to be unlawful.

(b) No natural-gas company shall, with respect to any transportation or sale of natural gas subject to the jurisdiction of the Commission, (1) make or grant any undue preference or advantage to any person or subject any person to any undue prejudice or disadvantage, or (2) maintain any unreasonable difference in rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of service.

(c) Under such rules and regulations as the Commission may prescribe, every natural-gas company shall file with the Commission, within such time (not less than 60 days from the date this act takes effect) and in such form as the Commission may designate, and shall keep open in convenient form and place for public inspection, schedules showing all rates and charges for any transportation or sale subject to the jurisdiction of the Commission, and the classifications, practices, and regulations affecting such rates and charges, together with all contracts which in any manner affect or relate to such rates, charges, classifications, and services.

(d) Unless the Commission otherwise orders, no change shall be made by any natural-gas company in any such rate, charge, classification, or service, or in any rule, regulation, or contract relating thereto, except after 30 days' notice to the Commission and to the public. Such notice shall be given by filing with the Commission and keeping open for public inspection new schedules stating plainly the change or changes to be made in the schedule or schedules then in force and the time when the change or changes will go into effect. The Commission, for good cause shown, may allow changes to take effect without requiring the 30 days' notice herein changes for by an order specifying the changes so to be made and the time when they shall take effect and the manner in which they shall be filed and published.

(e) Whenever any such new schedule is filed the Commission shall have authority, either upon complaint of any State, municipality, or State commission, or upon its own initiative without complaint, at once, and if it so orders, without answer or formal pleading by the natural-gas company, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, charge, classification, or service; and, pending such hearing and the decision thereon, the Commission, upon filing with such schedules and delivering to the natural-gas company affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such schedules and defer the use of such rate, charge, classification, or service, but not for a longer period than 5 months beyond the time when it would otherwise go into effect; and after full hearings, either completed before or after the rate, charge, classification, or service goes into effect, the Commission may make such orders with reference thereto as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded and an order made at the expiration of the suspension period, on motion of the natural-gas company making the filing, the proposed change of rate, charge, classification, or service shall go into effect. Where in-

creased rates or charges are thus made effective, the Commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such increased rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be increased, the burden of proof to show that the increased rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.

Mr. LEA. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 6, line 18, insert, after the word "effect", the following: "Provided, That the Commission shall not have authority to suspend the rate, charge, classification, or service for the sale of natural gas for resale for industrial use only."

Mr. LEA. Mr. Chairman, this amendment has been approved by the committee and also by the Federal Power Commission. The effect of it is to prevent suspension in cases of industrial use where there are short-term contracts for the supply of gas for industrial use only.

Mr. POAGE. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Texas.

Mr. POAGE. I am wondering in that connection, when you do make those exceptions, if you do not inevitably then create a situation whereby the gas company can contend that they have such a tremendous investment involved in furnishing this domestic gas that the domestic rates have to be raised, or at least you will require a raise of the domestic rates by the local rate-fixing agency, because the gas company can say that they have an investment in a pipe line 1,200 miles long and they are only selling so much gas for domestic purposes. You have exempted a part of this gas. Are you not going to have to fix a rate for domestic purposes that will take care of that burden?

Mr. LEA. This amendment would not deprive the Commission of fixing general rates.

Mr. POAGE. I know, but will it not force them to fix a rate that will pay a return on the entire investment when, as a matter of fact, many of those contract rates are actually a loss?

Mr. LEA. Under the principle of this bill they would not have the right to do that. The industrial gas should pay its own rate and should be based on a reasonable rate.

Mr. POAGE. But in that connection, if you allow the company to fix their own rates as to this industrial gas, which in many instances will make up one-half or two-thirds of all the gas it moves through the pipe line, and they do not make and profit on that, or make very little profit on it, would you not be requiring the rate-fixing agency, because they have to fix a rate which will result in a fair return on the investment, to fix a rate for the individual or domestic consumer high enough to pay a return on all of the investment used for the industrial gas?

Mr. LEA. In fixing the industrial rate they may adjust the general rate high enough to cover that.

Mr. POAGE. If they fix the industrial rate, yes; but this amendment exempts that.

Mr. LEA. It only exempts as to a suspension order. There is nothing that prevents the Federal Power Commission from making a rule requiring a rate sufficient to meet the cost.

Mr. POAGE. I think they have got to do that. I do not think they can do anything else.

Mr. LEA. This applies only to new rates as to which a suspension order applies and not to the general rates fixed by a commission.

Mr. POAGE. But if they suspend new rates as they go along, they might as well suspend the entire rate structure.

Mr. LEA. No. A regular rate can be put into effect, and the Commission has the power to fix a maximum, minimum, or a specific rate. The general rule that they may adopt

will cover this case and prevent the result the gentleman has in mind.

Mr. POAGE. I think that is what it should do, but if you require them to apply that general rule it might not result in that. I think you have given them the power; but have you got anything in there that will require the exercise of that power?

Mr. LEA. That would be within the discretion of the Commission in fixing a rate. It would be the clear duty of the Commission under this bill to do that. I have consulted with the attorneys for the Federal Power Commission before presenting this amendment. They claim they can control that matter.

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I understood the gentleman from Indiana [Mr. HALLECK] to state the provisions of this act apply only to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate consumption for various purposes, and to natural-gas companies engaged in the transportation of gas for sale, and shall not apply to intrastate transportation or sale of natural gas or to the local distribution thereof.

Will not that provision in the law make it possible for a natural-gas company transporting its gas through pipe lines, say from Oklahoma to Kansas, to have its own establishments where natural gas may be used, or to favor one of its friends doing business in a locality to the detriment and hurt of some other legitimate enterprise carried on there?

Mr. LEA. We cover such a case by a provision on, I believe, page 8 of the bill. What the gentleman states is true. The regulation would then rest with the local commission. However, the Federal Power Commission would have a right to investigate the cost of such transportation and give information as to reasonable rates to the State commission, so the commission could put the rates into effect.

Mr. MASSINGALE. What provision is made for transferring the powers of the National Commission to the State commission?

Mr. LEA. The Federal Commission would give the State commission information showing the cost of the property and the reasonable rate for the service performed.

Mr. MASSINGALE. Then, as I understand the chairman, the situation to which I have just referred in connection with paragraph (b) of section 1 is taken care of in a subsequent section of the bill?

Mr. LEA. Yes; it is. The Federal Government would have no right to regulate the local distribution under the constitutional interpretation, but the local commission would have such authority and the Federal Power Commission would have the authority to give the local commission all the information needed to carry out the provision.

Mr. MASSINGALE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment of the gentleman from California.

The amendment was agreed to.

The Clerk read as follows:

FIXING RATES AND CHARGES; DETERMINATION OF COST OF PRODUCTION OR TRANSPORTATION

SEC. 5. (a) Whenever the Commission, after a hearing had upon its own motion or upon complaint of any State, municipality, State commission, or gas distributing company, shall find that any rate, charge, or classification demanded, observed, charged, or collected by any natural-gas company in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission, or that any rule, regulation, practice, or contract affecting such rate, charge, or classification is unjust, unreasonable, unduly discriminatory, or preferential, the Commission shall determine the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force, and shall fix the same by order.

(b) The Commission upon its own motion, or upon the request of any State commission, whenever it can do so without prejudice to the efficient and proper conduct of its affairs, may investigate and determine the cost of the production or transportation of natural gas in cases where the Commission has no authority to establish a rate governing the transportation or sale of such natural gas.

Mr. BOREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOREN: On page 8, line 13, after the word "gas", insert the following: "by a natural gas company."

Mr. BOREN. Mr. Chairman, my amendment has been agreed to by the committee. I offer the amendment in order to keep the jurisdiction of the Federal Government as clearly defined as possible from the jurisdiction of the State government in cases arising under the provisions of this bill.

During the hearings I offered this amendment and made the following statement:

Mr. Chairman, I would like to make this observation for the record and as a challenge to the proponents of this bill: That subsection B of section 5 provides for a growth and for the extension of the influence of a Federal bureau, or commission, in a realm wherein this proposal submits on its own acknowledgment that the Federal authority and responsibility does not rightfully exist.

Mr. Chairman, this amendment clarifies the jurisdiction as between the Federal and State governments, and assures us that the Federal Government will not go into a realm where the State government already has proper authority to handle the problem.

The committee has approved the amendment, and I have nothing further to say.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. BOREN. Yes.

Mr. JONES. Would the gentleman's amendment prevent the Commission from making an investigation such as the gentleman from Maryland referred to a while ago, with reference to costs of production and the conditions in the various local fields?

Mr. BOREN. I may say to the gentleman from Texas that this amendment would not prevent the Commission from making such investigations. According to the definition of a natural-gas company, this amendment would simply guarantee that the commission would not step out of the realm of interstate commerce, but would make such investigations only where companies engaged in interstate commerce were concerned.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma.

The amendment was agreed to.

The Clerk read as follows:

ASCERTAINMENT OF COST OF PROPERTY

SEC. 6. (a) The Commission may investigate and ascertain the actual legitimate cost of the property of every natural-gas company, the depreciation therein, and, when found necessary for rate-making purposes, other facts which bear on the determination of such cost or depreciation and the fair value of such property.

(b) Every natural-gas company upon request shall file with the Commission an inventory of all or any part of its property and a statement of the original cost thereof, and shall keep the Commission informed regarding the cost of all additions, betterments, extensions, and new construction.

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 8, line 22, after the word "property", insert the following, "Provided, however, That such portion of the value of such property as is attributable to the production and transportation of natural gas for resale for industrial use will not be taken into consideration in determining a fair return on such property, and it shall be conclusively presumed that the value of that portion of such property attributable to the production and transportation of natural gas for resale for industrial use bears the same relation to the total value of such property as the proportion of natural gas sold for industrial use bears to the entire amount of gas produced and transported."

Mr. POAGE. Mr. Chairman, this amendment is simply an attempt to carry out the purpose I discussed a while ago. I feel there is a real danger that the commission may not actually give the relief it has a right to give under this bill. I think the bill clearly gives the commission the right to give relief to the domestic consumer, and not place the entire burden of paying a fair return on the entire investment on the domestic consumer. I do not think there is any provision in the bill, however, which requires the com-

mission to do this. The bill gives the commission the power to do so. I seek simply to require the commission to place this burden where it falls, to charge the user of industrial gas with bearing the burden of the return on that part of the investment properly attributable to industrial gas, and to charge the domestic consumer only with such portion of the cost as is attributable to the use of the plant for the furnishing of domestic gas.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Yes.

Mr. KENNEY. Would not the gentleman's amendment operate as a limitation? Would not this amendment tie the commission's hands so that other factors might not enter into its determination?

Mr. POAGE. I do not think it would keep them from including other factors. I think they would have to include these factors. I do not attempt to strike out the provisions which state that other factors which bear on the determination of such costs or depreciation or fair value of the property shall be considered. This amendment states that no matter what other factors they take into consideration, they must take into consideration what percentage of the investment is attributable to the transportation of gas destined for industrial consumption. Otherwise, they would have the power, although I do not know that they would exercise it, to place the burden of the transportation of the industrial gas, on which there will be no profit, or practically none, upon the domestic consumers, and ultimately result in increasing the price to the domestic consumers.

It is for the purpose of making the matter doubly sure that I offer this amendment. I want to make it sure we are not simply relying upon the frailties of human nature or the frailties of a man-made commission, but making certain that they must take into consideration the fact that not all of this investment is attributable to the domestic consumption of gas, and therefore the gas companies should not be allowed to make a reasonable return upon an investment in excess of what they use to furnish gas to the domestic consumers.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COLE of Maryland. Does not the gentleman believe that his amendment more properly should be directed to section 5 of the bill, which is the section dealing with just rates? Of course, if a rate is determined which is not just, because the commission has not taken into consideration the very things the gentleman has pointed out, and which he wants to set forth mandatorily in the bill, it would more properly apply to the establishment of rates and would have little to do with the cost of the property.

Mr. POAGE. I am inclined to agree with the gentleman it would have been better if offered at that place in the bill, but, frankly, I did not have the amendment in type at the time that portion of the bill was read.

Mr. COLE of Maryland. I am frank to say that in determining a just and reasonable rate to be charged I believe the Commission should take into consideration what the gentleman has pointed out.

Mr. POAGE. Frankly, I would have preferred to have the amendment attached at that point, but since we had reached a situation in the consideration of the bill where I could not do that, and since it is a limitation upon the methods by which they should determine valuations, which result in the determination of the proper rates, and the amendment affects the way you determine values, I believe the amendment properly applies to section 6, although it probably would more properly fit section 5. However, it would appear that the same practical result would be reached if offered at either place, and I therefore submit the amendment for the consideration of the Committee.

Mr. LEA. Mr. Chairman, I rise in opposition to the amendment.

There is no question but what the Commission, under this bill, will have full discretion to do what the gentleman desires; in fact, it would be the duty of the Commission to do so. But I think the standard proposed here to cover the action of the committee, in the exercise of its power, is not authorized by the Constitution.

The gentleman's amendment states that it shall be conclusively presumed that the fair valuation of that portion of such property attributable to the production and transportation of natural gas for resale to industrial use bears the same relation to the total value of such property as the proportion of natural gas sold for industrial use bears to the entire amount of gas produced and transported.

This, as a matter of fact, is in defiance of the actual cost of the gas, which goes through the same pipe, but is used for different purposes, and I believe under the definition of fair value as defined by the Supreme Court, the amendment would make it the duty of the Commission to do a thing that is not justified by the interpretation of the term "fair value." We spent a great deal of time on this section, and we had before us another section, such as the gentleman has here suggested, going into more detail, but, in the meantime, a Supreme Court decision came out that made it very clear we should cut out such details and stay with the safe and unquestionably constitutional provision we have here.

So I hope the amendment will not be agreed to, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The question was taken; and on a division (demanded by Mr. Hook) there were—ayes 8, noes 21.

So the amendment was rejected.

Te Clerk read as follows:

#### EXTENSION OF FACILITIES; ABANDONMENT OF SERVICE

SEC. 7. (a) Whenever the Commission, after notice and opportunity for hearing, finds such action necessary or desirable in the public interest, it may by order direct a natural-gas company to extend or improve its transportation facilities, to establish physical connection of its transportation facilities with the facilities of, and sell natural gas to, any person or municipality engaged or legally authorized to engage in the local distribution of natural or artificial gas to the public, and for such purpose to extend its transportation facilities to communities immediately adjacent to such facilities or to territory served by such natural-gas company, if the Commission finds that no undue burden will be placed upon such natural-gas company thereby: *Provided*, That the Commission shall have no authority to compel the enlargement of transportation facilities for such purposes, or to compel such natural-gas company to establish physical connection or sell natural gas when to do so would impair its ability to render adequate service to its customers.

(b) No natural-gas company shall abandon all or any portion of its facilities subject to the jurisdiction of the Commission, or any service rendered by means of such facilities, without the permission and approval of the Commission first had and obtained, after due hearing, and a finding by the Commission that the available supply of natural gas is depleted to the extent that the continuance of service is unwarranted, or that the present or future public convenience or necessity permit such abandonment.

(c) No natural-gas company shall undertake the construction or extension of any facilities for the transportation of natural gas to a market in which natural gas is already being served by another natural-gas company, or acquire or operate any such facilities or extensions thereof, or engage in transportation by means of any new or additional facilities, or sell natural gas in any such market, unless and until there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity require or will require such new construction or operation of any such facilities or extensions thereof: *Provided, however*, That a natural-gas company already serving a market may enlarge or extend its facilities for the purpose of supplying increased market demands in the territory in which it operates. Whenever any natural-gas company shall make application for a certificate of convenience and necessity under the provisions of this subsection, the Commission shall set the matter for hearing and shall give such reasonable notice of the hearing thereon to all interested persons as in its judgment may be necessary under rules and regulations to be prescribed by the Commission.

#### ACCOUNTS, RECORDS, AND MEMORANDA

SEC. 8. (a) Every natural-gas company shall make, keep, and preserve for such periods, such accounts, records of cost-accounting procedures, correspondence, memoranda, papers, books, and other records as the Commission may by rules and regulations

prescribe as necessary or appropriate for purposes of the administration of this act: *Provided, however,* That nothing in this act shall relieve any such natural-gas company from keeping any accounts, memoranda, or records which such natural-gas company may be required to keep by or under authority of the laws of any State. The Commission may prescribe a system of accounts to be kept by such natural-gas companies, and may classify such natural-gas companies and prescribe a system of accounts for each class. The Commission, after notice and opportunity for hearing, may determine by order the accounts in which particular outlays or receipts shall be entered, charged, or credited. The burden of proof to justify every accounting entry questioned by the Commission shall be on the person making, authorizing, or requiring such entry, and the Commission may suspend a charge or credit pending submission of satisfactory proof in support thereof.

(b) The Commission shall at all times have access to and the right to inspect and examine all accounts, records, and memoranda of natural-gas companies; and it shall be the duty of such natural-gas companies to furnish to the Commission, within such reasonable time as the Commission may order, any information with respect thereto which the Commission may by order require, including copies of maps, contracts, reports of engineers, and other data, records, and papers, and to grant to all agents of the Commission free access to its property and its accounts, records, and memoranda when requested so to do. No member, officer, or employee of the Commission shall divulge any fact or information which may come to his knowledge during the course of examination of books, records, data, or accounts, except insofar as he may be directed by the Commission or by a court.

(c) The books, accounts, memoranda, and records of any person who controls directly or indirectly a natural-gas company subject to the jurisdiction of the Commission and of any other company controlled by such person, insofar as they relate to transactions with or the business of such natural-gas company, shall be subject to examination on the order of the Commission.

#### RATES OF DEPRECIATION

SEC. 9. (a) The Commission may, after hearing, require natural-gas companies to carry proper and adequate depreciation and amortization accounts in accordance with such rules, regulations, and forms of account as the Commission may prescribe. The Commission may from time to time ascertain and determine, and by order fix, the proper and adequate rates of depreciation and amortization of the several classes of property of each natural-gas company used or useful in the production, transportation, or sale of natural gas. Each natural-gas company shall conform its depreciation and amortization accounts to the rates so ascertained, determined, and fixed. No natural-gas company subject to the jurisdiction of the Commission shall charge to operating expenses any depreciation or amortization charges on classes of property other than those prescribed by the Commission, or charge with respect to any class of property a percentage of depreciation or amortization other than that prescribed therefor by the Commission. No such natural-gas company shall in any case include in any form under its operating or other expenses any depreciation, amortization, or other charge or expenditure included elsewhere as a depreciation or amortization charge or otherwise under its operating or other expenses. Nothing in this section shall limit the power of a State commission to determine in the exercise of its jurisdiction, with respect to any natural-gas company, the percentage rates of depreciation or amortization to be allowed, as to any class of property of such natural-gas company, or the composite depreciation or amortization rate, for the purpose of determining rates or charges.

(b) The Commission, before prescribing any rules or requirements as to accounts, records, or memoranda, or as to depreciation or amortization rates, shall notify each State commission having jurisdiction with respect to any natural-gas company involved and shall give reasonable opportunity to each such commission to present its views and shall receive and consider such views and recommendations.

#### PERIODIC AND SPECIAL REPORTS

SEC. 10. (a) Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest due and paid, depreciation, amortization, and other reserves, cost of facilities, cost of maintenance and operation of facilities for the production, transportation, or sale of natural gas, cost of renewal and replacement of such facilities, transportation, delivery, use, and sale of natural gas. The Commission may require any such natural-gas company to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies.

(b) It shall be unlawful for any natural-gas company willfully to hinder, delay, or obstruct the making, filing, or keeping of any information, document, report, memorandum, record, or account

required to be made, filed, or kept under this act or any rule, regulation, or order thereunder.

#### STATE COMPACTS; REPORTS ON

SEC. 11. (a) In case two or more States propose to the Congress compacts dealing with the conservation, production, transportation, or distribution of natural gas it shall be the duty of the Commission to assemble pertinent information relative to the matters covered in any such proposed compact, to make public and to report to the Congress information so obtained, together with such recommendations for further legislation as may appear to be appropriate or necessary to carry out the purposes of such proposed compact and to aid in the conservation of natural-gas resources within the United States and in the orderly, equitable, and economic production, transportation, and distribution of natural gas.

(b) It shall be the duty of the Commission to assemble and keep current pertinent information relative to the effect and operation of any compact between two or more States heretofore or hereafter approved by the Congress, to make such information public, and to report to the Congress, from time to time, the information so obtained, together with such recommendations as may appear to be appropriate or necessary to promote the purposes of such compact.

(c) In carrying out the purposes of this act, the Commission shall, so far as practicable, avail itself of the services, records, reports, and information of the executive departments and other agencies of the Government, and the President may, from time to time, direct that such services and facilities be made available to the Commission.

#### OFFICIALS DEALING IN SECURITIES

SEC. 12. It shall be unlawful for any officer or director of any natural-gas company to receive for his own benefit, directly or indirectly, any money or thing of value in respect to the negotiation, hypothecation, or sale by such natural-gas company of any security issued, or to be issued, by such natural-gas company, or to share in any of the proceeds thereof, or to participate in the making or paying of any dividends, other than liquidating dividends, of such natural-gas company from any funds properly included in capital account.

Mr. LEA. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 15, line 9, strike out the word "made" and insert in lieu thereof the word "make".

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PHILLIPS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 16, line 23, after the word "company", insert "or any officer or director of any bank or trust company loaning money to or acquiring securities from any natural gas company."

Mr. COLE of Maryland. Mr. Chairman, I make the point of order against the amendment that it is not germane.

Mr. PHILLIPS. Mr. Chairman, will the gentleman reserve his point of order.

Mr. COLE of Maryland. Yes.

Mr. PHILLIPS. Mr. Chairman, the amendment that I offer extends the same provisions of the law to any officer or director of any bank or trust company loaning money or acquiring securities from any natural-gas company, as the provisions of the law extended to an officer or director of a natural-gas company. In other words, it seems to those of us who take this view, that no officer or director of any bank ought to receive any private, inside stock because of the fact that he has been responsible in more or less degree for loaning money to a natural-gas company or because of some securities deal which his bank or trust company has had in acquiring securities of that natural-gas company. In other words, if it is a moral wrong for an officer or director of a natural-gas company to have any inside proposition of particular aid financially to him, it is equally morally wrong for any officer or director of any bank having dealings with a natural-gas company as stated to likewise benefit. Hence the reason for this amendment.

Mr. COLE of Maryland. Mr. Chairman, I make the point of order that the amendment is not germane to this section for the reason that section 12 deals exclusively with officers and directors of natural-gas companies. It has nothing to do with banks or officials of banks.

The CHAIRMAN. Does the gentleman from Connecticut desire to be heard on the point of order?

Mr. PHILLIPS. Yes. I respect the opinion of the gentleman from Maryland, Mr. Chairman, but I feel that the point of order is not well taken because of the general provisions of this act as a whole.

The CHAIRMAN. The Chair is ready to rule upon the point of order. Section 12 deals with officers of natural-gas companies. The entire section deals with that particular class and is limited entirely to that. The amendment of the gentleman from Connecticut contains matter entirely foreign to that contained in the paragraph under consideration. The Chair, therefore, holds the amendment not to be germane and sustains the point of order.

The Clerk read as follows:

#### COMPLAINTS

SEC. 13. Any State, municipality, or State commission complaining of anything done or omitted to be done by any natural-gas company in contravention of the provisions of this act may apply to the Commission by petition, which shall briefly state the facts, whereupon a statement of the complaint thus made shall be forwarded by the Commission to such natural-gas company, which shall be called upon to satisfy the complaint or to answer the same in writing within a reasonable time to be specified by the Commission.

#### INVESTIGATIONS BY COMMISSION; ATTENDANCE OF WITNESSES; DEPOSITIONS

SEC. 14. (a) The Commission may investigate any facts, conditions, practices, or matters which it may find necessary or proper in order to determine whether any person has violated or is about to violate any provision of this act or any rule, regulation, or order thereunder, or to aid in the enforcement of the provisions of this act or in prescribing rules or regulations thereunder, or in obtaining information to serve as a basis for recommending further legislation to the Congress. The Commission may permit any person to file with it a statement in writing, under oath or otherwise, as it shall determine, as to any or all facts and circumstances concerning a matter which may be the subject of investigation. The Commission, in its discretion, may publish in the manner authorized by section 312 of the Federal Power Act, and make available to State commissions and municipalities, information concerning any such matter.

(b) The Commission may, after hearing, determine the adequacy or inadequacy of the gas reserves held or controlled by any natural-gas company, or by anyone on its behalf, including its owned or leased properties or royalty contracts; and may also, after hearing, determine the propriety and reasonableness of the inclusion in operating expenses, capital, or surplus of all delay rentals or other forms of rental or compensation for unoperated lands and leases. For the purpose of such determinations, the Commission may require any natural-gas company to file with the Commission true copies of all its lease and royalty agreements with respect to such gas reserves.

(c) For the purpose of any investigation or any other proceeding under this act, any member of the Commission, or any officer designated by it, is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records which the Commission finds relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or at any designated place of hearing. Witnesses summoned by the Commission to appear before it shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(d) In case of contumacy by, or refusal to obey a subpoena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, contracts, agreements, and other records. Such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found or may be doing business. Any person who willfully shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records, if in his or its power so to do, in obedience to the subpoena of the Commission, shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not more than \$1,000 or to imprisonment for a term of not more than 1 year, or both.

(e) The testimony of any witness may be taken at the instance of a party, in any proceeding or investigation pending before the Commission, by deposition at any time after the proceeding is at issue. The Commission may also order testimony to be taken by deposition in any proceeding or investigation pending before it at any stage of such proceeding or investigation. Such depositions may be taken before any person authorized to administer oaths

not being of counsel or attorney to either of the parties, nor interested in the proceeding or investigation. Reasonable notice must first be given in writing by the party or his attorney proposing to take such deposition to the opposite party or his attorney of record, as either may be nearest, which notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce documentary evidence, in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the Commission, as hereinbefore provided. Such testimony shall be reduced to writing by the person taking deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent.

(f) If a witness whose testimony may be desired to be taken by deposition be in a foreign country, the deposition may be taken before an officer or person designated by the Commission, or agreed upon by the parties by stipulation in writing to be filed with the Commission. All depositions must be promptly filed with the Commission.

(g) Witnesses whose depositions are taken as authorized in this act, and the person or officer taking the same, shall be entitled to the same fees as are paid for like services in the courts of the United States.

(h) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the Commission, or in obedience to the subpoena of the Commission or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Commission, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

#### HEARINGS; RULES OF PROCEDURE

SEC. 15. (a) Hearings under this act may be held before the Commission, any member or members thereof, or any representative of the Commission designated by it, and appropriate records thereof shall be kept. In any proceeding before it, the Commission, in accordance with such rules and regulations as it may prescribe, may admit as a party any interested State, State commission, municipality, or any representative of interested consumers or security holders, or any competitor of a party to such proceeding, or any other person whose participation in the proceeding may be in the public interest.

(b) All hearings, investigations, and proceedings under this act shall be governed by rules of practice and procedure to be adopted by the Commission, and in the conduct thereof the technical rules of evidence need not be applied. No informality in any hearing, investigation, or proceeding or in the manner of taking testimony shall invalidate any order, decision, rule, or regulation issued under the authority of this act.

#### ADMINISTRATIVE POWERS OF COMMISSION; RULES, REGULATIONS, AND ORDERS

SEC. 16. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed. Unless a different date is specified therein, rules and regulations of the Commission shall be effective 30 days after publication in the manner which the Commission shall prescribe. Orders of the Commission shall be effective on the date and in the manner which the Commission shall prescribe. For the purposes of its rules and regulations, the Commission may classify persons and matters within its jurisdiction and prescribe different requirements for different classes of persons or matters. All rules and regulations of the Commission shall be filed with its secretary and shall be kept open in convenient form for public inspection and examination during reasonable business hours.

#### USE OF JOINT BOARDS; COOPERATION WITH STATE COMMISSIONS

SEC. 17. (a) The Commission may refer any matter arising in the administration of this act to a board to be composed of a member or members, as determined by the Commission, from the State or each of the States affected or to be affected by such matter. Any such board shall be vested with the same power and be subject to the same duties and liabilities as in the case of a member of the Commission when designated by the Commission to hold any hearings. The action of such board shall have such force and effect and its proceedings shall be conducted in such manner as the Commission shall by regulations prescribe. The board shall be appointed by the Commission from persons nominated by the State commission of each State affected, or by the Governor of such State if there is no State commission. Each State affected shall be entitled to the same number of representatives on the board unless the nominating power of such State waives such right. The Commission shall have discretion to reject the nominee from any State, but shall thereupon invite a new

nomination from that State. The members of a board shall receive such allowances for expenses as the Commission shall provide. The Commission may, when in its discretion sufficient reason exists therefor, revoke any reference to such a board.

(b) The Commission may confer with any State commission regarding rate structures, costs, accounts, charges, practices, classifications, and regulations of natural-gas companies; and the Commission is authorized, under such rules and regulations as it shall prescribe, to hold joint hearings with any State commission in connection with any matter with respect to which the Commission is authorized to act. The Commission is authorized in the administration of this act to avail itself of such cooperation, services, records, and facilities as may be afforded by any State commission.

(c) The Commission shall make available to the several State commissions such information and reports as may be of assistance in State regulation of natural-gas companies. Whenever the Commission can do so without prejudice to the efficient and proper conduct of its affairs, it may, upon request from a State commission, make available to such State commission as witnesses any of its trained rate, valuation, or other experts subject to reimbursement of the compensation and traveling expenses of such witnesses. All sums collected hereunder shall be credited to the appropriation from which the amounts were expended in carrying out the provisions of this subsection.

#### APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 18. The Commission is authorized to appoint and fix the compensation of such officers, attorneys, examiners, and experts as may be necessary for carrying out its functions under this act without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States; and the Commission may, subject to civil-service laws, appoint such other officers and employees as are necessary for carrying out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

Mr. MAPES. Mr. Chairman, I offer the following amendments, which I send to the desk.

The Clerk read as follows:

Page 26, line 4, strike out section 18 and insert in lieu thereof the following:

"SEC. 18. The Commission may, subject to the civil-service laws, appoint such officers and employees as are necessary for carrying out its functions under this act, and fix their salaries in accordance with the Classification Act of 1923, as amended."

Mr. MAPES. Mr. Chairman, I wish I could think that this amendment will be adopted, but in view of the action of the House so many times during this session on similar amendments, it is hard to believe that it will be. However, I do not want a bill coming from the Committee on Interstate and Foreign Commerce with a provision of this kind in it to go through the House without calling attention to such provision. The section which I have moved to strike out authorizes the Federal Power Commission to appoint such officers, attorneys, examiners, and experts as may be necessary to carry out the functions of the Commission under this act, without regard to the Civil Service and to fix their compensation without regard to the Classification Act passed in 1923. Some day, some time, the very men who vote for provisions of this kind, and who have been doing so, so many times in the last few years, are going to reverse themselves.

I do not know when that time will come, but I look for it to come within the next 2 or 3 months in the passage of some of the so-called reorganization legislation recommended by the President. When it does come it will be interesting to see the reversal of form on the part of those who have so persistently voted against civil service, and who have repeatedly voted to authorize these commissions and other administrative officers to make appointments without regard to the civil service and to fix the compensation of employees without regard to the Classification Act. Think of it. It is a violent thing for Congress to pass legislation with such provisions in it, but the majority has insisted upon doing so during the last few years over the protest of a great many of us. Some day, some time, this same majority is going to be just as persistent and just as insistent in refusing to pass such legislation. As I say, it is going to be interesting to watch when that time comes.

Mr. Chairman, I am offering this amendment for the purpose of keeping the record straight.

Mr. LEA. Mr. Chairman, I rise in opposition to the amendment. The provision to which the gentleman takes exception relates to officers, attorneys, examiners, and experts. The general type of employees authorized to be em-

ployed are under civil service under this provision. The particular class of officers, which are not under civil service, are required to do such a specialized type of work that it seems to me selection from the civil-service list should not be required. If the Commission does its duty from a business standpoint, it can go out and get these specialized employees to do a better job than you could ever hope to through the mill run of civil-service qualification.

So while I have been for many years generally supporting civil-service legislation, I believe that the departure involved in this section is amply justified.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MAPES].

The amendment was rejected.

The Clerk read as follows:

#### REHEARINGS; COURT REVIEW OF ORDERS

SEC. 19. (a) Any person, State, municipality, or State commission aggrieved by an order issued by the Commission in a proceeding under this Act to which such person, State, municipality, or State commission is a party may apply for a rehearing within 30 days after the issuance of such order. The application for rehearing shall set forth specifically the ground or grounds upon which such application is based. Upon such application the Commission shall have power to grant or deny rehearing or to abrogate or modify its order without further hearing. Unless the Commission acts upon the application for rehearing within 30 days after it is filed, such application may be deemed to have been denied. No proceeding to review any order of the Commission shall be brought by any person unless such person shall have made application to the Commission for a rehearing thereon.

(b) Any party to a proceeding under this act aggrieved by an order issued by the Commission in such proceeding may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein the natural-gas company to which the order relates is located or has its principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the order of the Commission upon the application for rehearing, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon any member of the Commission and thereupon the Commission shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission in the application for rehearing unless there is reasonable ground for failure so to do. The finding of the Commission as to the fact, if supported by substantial evidence, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceedings before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file with the court such modified or new findings, which if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court, affirming, modifying, or setting aside, in whole or in part, any such order of the Commission, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

(c) The filing of an application for rehearing under subsection (a) shall not, unless specifically ordered by the Commission, operate as a stay of the Commission's order. The commencement of proceedings under subsection (b) of this section shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

#### ENFORCEMENT OF ACT; REGULATIONS AND ORDERS

SEC. 20. (a) Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this act, or of any rule, regulation, or order thereunder, it may in its discretion bring an action in the proper district court of the United States, the District Court of the United States for the District of Columbia, or the United States courts of any Territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices and to enforce compliance with this act or any rule, regulation, or order thereunder, and upon a proper showing a permanent or temporary injunction or decree or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices or concerning apparent violations of the Federal antitrust laws to the Attorney

General, who, in his discretion, may institute the necessary criminal proceedings.

(b) Upon application of the Commission the district courts of the United States, the District Court of the United States for the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this act or any rule, regulation, or order of the Commission thereunder.

(c) The Commission may employ such attorneys as it finds necessary for proper legal aid and service of the Commission or its members in the conduct of their work, or for proper representation of the public interest in investigations made by it, or cases or proceedings pending before it, whether at the Commission's own instance or upon complaint, or to appear for or represent the Commission in any case in court; and the expenses of such employment shall be paid out of the appropriation for the Commission.

#### GENERAL PENALTIES

SEC. 21. (a) Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing in this act prohibited or declared to be unlawful, or who willfully and knowingly omits or fails to do any act, matter, or thing in this act required to be done, or willfully and knowingly causes or suffers such omission or failure, shall, upon conviction thereof, be punished by a fine of not more than \$5,000 or by imprisonment for not more than 2 years, or both.

(b) Any person who willfully and knowingly violates any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this act, shall, in addition to any other penalties provided by law, be punished upon conviction thereof by a fine of not exceeding \$500 for each and every day during which such offense occurs.

#### JURISDICTION OF OFFENSES; ENFORCEMENT OF LIABILITIES AND DUTIES

SEC. 22. The district courts of the United States, the District Court of the United States for the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States shall have exclusive jurisdiction of violations of this act or the rules, regulations, and orders thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this act or any rule, regulation, or order thereunder. Any criminal proceeding shall be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by, or to enjoin any violation of, this act or any rule, regulation, or order thereunder may be brought in any such district or in the district wherein the defendant is an inhabitant, and process in such cases may be served wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347). No costs shall be assessed against the Commission in any judicial proceeding by or against the Commission under this act.

#### SEPARABILITY OF PROVISIONS

SEC. 23. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 24. This act may be cited as the Natural Gas Act.

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FADDIS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6586, pursuant to House Resolution 242, reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. LEA, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### ACQUISITION OF CERTAIN LANDS IN THE YOSEMITE NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill H. R. 5394, Report No. 1149, to provide for the acquisition of certain lands in the Yosemite National

Park and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to same.

RENÉ L. DEROUEN,  
J. W. ROBINSON,  
FRED L. CRAWFORD,

*Managers on the part of the House.*

ALVA B. ADAMS,  
KEY PITTMAN,  
HENRY F. ASHURST,  
GERALD P. NYE,

*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill (sec. 2) read as follows:

"When title to such of the aforesaid privately owned lands as may be acquired with funds made available therefor has vested in the United States, such lands and all Federally owned lands described in section 1 hereof shall be added to and become a part of the Yosemite National Park and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this act shall be construed to affect any valid existing rights."

The Senate amendment substitutes the following language in lieu of section 2 of the bill as passed by the House:

"When title to the aforesaid privately owned lands has been vested in the United States, all of the lands described in section 1 hereof shall be added to and become a part of the Yosemite National Park and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this act shall be construed to affect any valid existing rights."

The amendment appears to affect no material change in H. R. 5394 and to involve merely a matter of draftsmanship, and the purpose thereof is to make H. R. 5394 conform to S. 1791, a similar bill which was passed by the Senate on May 27.

RENÉ L. DEROUEN,  
J. W. ROBINSON,  
F. L. CRAWFORD,

*Managers on the part of the House.*

Mr. DEROUEN. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

#### FEDERAL POLICE JURISDICTION OF LAND WITHIN SHENANDOAH NATIONAL PARK

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7086) to direct the Secretary of the Interior to notify the State of Virginia that the United States assumes police jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. ENGLEBRIGHT. Mr. Speaker, reserving the right to object, to ask the gentleman a question. As I understand, this is for the purpose of having the United States take jurisdiction over the Federal lands in the national park, whereas at the present time you have no authority of law which will provide for the appointment of a United States commission?

Mr. ROBERTSON. Exactly. We are having over 100,000 visitors per month at this park. The Federal Government is patrolling it, but it has no power to enforce its rules and regulations under Federal law. Also, they are anxious to have immediate action on this bill, because the salary of the park commissioner must be provided in the third deficiency bill, which is coming up shortly.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and is hereby, directed to give notice to the State of Virginia through its Governor, as contemplated by the act of the General Assembly of the State of Virginia approved March 28, 1928, that the United States assumes police jurisdiction over lands lying in the State of Virginia and included within the Shenandoah National Park, title to and exclusive jurisdiction over said lands having been conveyed and ceded under and by authority of said act and accepted by the Secretary of the Interior, saving, however, to the State of Virginia the right to serve civil or criminal process within the limits of the aforesaid park in suits or prosecutions for or on account of rights acquired, obligations incurred, or crimes committed in said State outside of said park; and saving further to the said State the right to tax persons and corporations, their franchises and property on the lands included in said park; and saving also to the persons residing in said park now, or hereafter, the right to vote at all elections held within the county or counties in which said park is situated; and saving further to the said State the right to tax sales of gasoline and other motor-vehicle fuels and oil for use in motor vehicles. All the laws applicable to places under sole and exclusive jurisdiction of the United States shall have force and effect in said park. All fugitives from justice taking refuge in said park shall be subject to the same laws as refugees from justice found in the State of Virginia.

SEC. 2. That said park shall constitute a part of the United States judicial district for the western district of Virginia, and the district court of the United States in and for said district shall have jurisdiction of all offenses committed within the boundaries of the said park.

SEC. 3. That all hunting, or the killing, wounding, or capturing at any time of any wild bird or animal, except dangerous animals when it is necessary to prevent them from destroying human lives or inflicting personal injury, is prohibited within the limits of said park; nor shall any fish be taken out of any of the waters of the said park, in any other way than by hook and line, and then only at such seasons and at such times and in such manner as may be directed by the Secretary of the Interior. That the Secretary of the Interior shall make and publish such general rules and regulations as he may deem necessary and proper for the management and care of the park and for the protection of the property therein, especially for the preservation from injury or spoliation of all timber, mineral deposits, natural curiosities, or wonderful objects within said park, and for the protection of the animals and birds in the park from capture or destruction, and to prevent their being frightened or driven from the said park; and he shall make rules and regulations governing the taking of fish from the streams or lakes in the said park. Possession within said park of the dead bodies or any part thereof of any wild bird or animal shall be prima-facie evidence that the person or persons having same are guilty of violating this act. Any person or persons, or stage or express company, or railway company, who knows or has reason to believe that they were taken or killed contrary to the provisions of this act, and who receives for transportation any of said animals, birds, or fish so killed, caught, or taken, or who shall violate any of the other provisions of this act, or any rule or regulation that may be promulgated by the Secretary of the Interior, with reference to the management and care of the said park, or for the protection of the property therein for the preservation from injury or spoliation of timber, mineral deposits, natural curiosities, or wonderful objects within said park, or for the protection of the animals, birds, or fish in said park, or who shall within said park commit any damage, injury or spoliation to or upon any building, fence, sign, hedge, gate, guidepost, tree, wood, underwood, timber, garden, crops, vegetables, plants, land, springs, mineral deposits, natural curiosities, or other matter or thing growing or being thereon, or situated therein, shall be deemed guilty of a misdemeanor and shall be subject to a fine of not more than \$500 or imprisonment not exceeding 6 months, or both, and be adjudged to pay all the costs of the proceedings.

SEC. 4. That all guns, traps, nets, seines, teams, horses, or means of transportation of every nature or description, used by any person or persons within the limits of said park when engaged in killing, trapping, ensnaring, taking, or capturing such wild beasts, birds, fish, or animals shall be forfeited to the United States and may be seized by the officers in said park and held pending prosecution of any person or persons arrested under the charge of violating the provisions of this act, and upon conviction under this act of such person or persons using said guns, traps, nets, seines, teams, horses, or other means of transportation, such forfeiture shall be adjudicated as a penalty in addition to the other pun-

ishment prescribed in this act. Such forfeited property shall be disposed of and accounted for by and under the authority of the Secretary of the Interior.

SEC. 5. That upon the recommendation and approval of the Secretary of the Interior of a qualified candidate the United States District Court for the Western District of Virginia shall appoint a commissioner who shall have jurisdiction to hear and act upon all complaints made of any violations of law or of the rules and regulations made by the Secretary of the Interior for the government of the park and for the protection of the animals, birds, and fish, and objects of interest therein, and for other purposes, authorized by this act. Such commissioner shall have power, upon sworn information, to issue process in the name of the United States for the arrest of any person charged with the commission of any misdemeanor, or charged with a violation of the rules and regulations, or with a violation of any of the provisions of this act prescribed for the government of said park and for the protection of the animals, birds, and fish in said park and to try the person so charged, and, if found guilty, to impose punishment and to adjudge the forfeiture prescribed. In all cases of conviction an appeal shall lie from the judgment of said commissioner to the United States District Court for the Western District of Virginia and the United States District Court in the aforementioned district shall prescribe the rules of procedure and practice for said commissioner in the trial of cases and for appeal to said United States District Court.

SEC. 6. That any and all United States commissioners now or hereafter authorized to act within the western district of Virginia and any and all persons who shall hereafter succeed to the duties, powers, and authority of United States commissioners in and for said district shall have full power, authority, and jurisdiction to act, with respect to offenses or violations of law occurring within the limits of the Shenandoah National Park, as the United States commissioner for the Shenandoah National Park may act with respect to offenses or violations of law occurring within the limits of said park.

SEC. 7. That such commissioner shall also have power to issue process as hereinbefore provided for the arrest of any person charged with the commission within said park of any criminal offense not covered by the provisions of section 3 of this act, to hear the evidence introduced, and, if he is of the opinion that probable cause is shown for holding the person so charged for trial, shall cause such person to be safely conveyed to a secure place of confinement within the jurisdiction of the United States District Court for the Western District of Virginia, and certify a transcript of the record of his proceedings and the testimony in such case to court, which court shall have jurisdiction of the case: *Provided*, That the said commissioner shall grant bail in all cases bailable under the laws of the United States or of said State.

SEC. 8. That processes issued by the commissioner shall be directed to the marshal of the United States for the western district of Virginia, but nothing herein contained shall be so construed as to prevent the arrest by any officer or employee of the Government or any person employed by the United States, without process of any person taken in the act of violating the law or this act or the regulations prescribed by the said Secretary as aforesaid.

SEC. 9. That the commissioner provided for in this act shall be paid an annual salary, as appropriated for by Congress: *Provided*, That the said commissioner shall reside within the exterior boundaries of the Shenandoah National Park or at a place reasonably adjacent to the park, the place of residence to be designated by the Secretary of the Interior: *And provided further*, That all fees, costs, and expenses collected by the commissioner shall be disposed of as provided in section 11 of this act.

SEC. 10. That all fees, costs, and expenses arising in cases under this act and properly chargeable to the United States shall be certified, approved, and paid as are like fees, costs, and expenses in the courts of the United States.

SEC. 11. That all fines and costs imposed and collected shall be deposited by said commissioner of the United States, or the marshal of the United States collecting the same, with the clerk of the United States District Court for the Western District of Virginia.

With the following committee amendment:

Page 2, line 15, after the word "vehicles", insert "The Secretary is further directed to give like notice as to lands hereafter conveyed to the United States under like authority at such time or times as he shall determine to be consistent with the interests of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. LEA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

#### GOVERNMENT REORGANIZATION

Mr. FRED M. VINSON, on behalf of the gentleman from Utah [Mr. ROBINSON], presented a privileged report on the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants, which was referred to the Union Calendar and ordered printed.

#### EXTENSION OF REMARKS

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill just passed, dealing with interstate transportation and sale of natural gas and to include therein extracts from the hearings and certain citations on the legal aspects of the question.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

(Mr. FITZGERALD, Mr. MAVERICK, Mr. CROSSER, and Mr. CREAL asked and were given permission to revise and extend their own remarks.)

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H. R. 7051.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend in the RECORD my own remarks recently made in Boston.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### INTERIOR DEPARTMENT APPROPRIATION BILL, 1938

Mr. JOHNSON of Oklahoma. Mr. Speaker, I submit a conference report and statement on the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year 1938 for printing in the RECORD under the rule.

#### LAURA E. ALEXANDER

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3259) for the relief of Laura E. Alexander, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read as follows:

Senate amendment: Page 1, line 6, strike out "\$6,349" and insert "\$5,000."

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us the effect of the amendment?

Mr. WEAVER. The amendment simply reduces the amount carried by the House bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

#### TERM OF COURT AT LIVINGSTON, MONT.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4795) to provide for a term of court at Livingston, Mont., with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read as follows:

Senate amendment: Page 1, line 9, after "Havre", insert: "Miles City."

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the effect of this change?

Mr. WEAVER. This bill, I may say to the gentleman from Massachusetts, was introduced by the gentleman from Montana [Mr. O'CONNOR] to provide for a term of court at Livingston. The Senate added another place, Miles City. I may say to the gentleman, however, that provision is made

that the United States shall not bear any of the expense in regard to it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

#### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6635. An act to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes;

H. R. 6692. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes;

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes;

S. 2620. An act to amend the Hawaiian Homes Commission Act, 1920;

S. 2621. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

S. 2622. An act to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes;

S. 2652. An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes; and

S. 2653. An act to amend an act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935.

#### BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 563. An act for the relief of E. W. Garrison;

H. R. 607. An act for the relief of Dorothy McCourt;

H. R. 1235. An act for the relief of John Brennan;

H. R. 1310. An act for the relief of Clifford R. George and Mabel D. George;

H. R. 1406. An act for the relief of Frank S. Walker;

H. R. 1689. An act for the relief of Dominga Pardo;

H. R. 1731. An act for the relief of Angelo and Auro Cataneo;

H. R. 1761. An act for the relief of Paul J. Francis;

H. R. 1851. An act for the relief of W. D. Davis;

H. R. 2404. An act for the relief of James Philip Coyle;

H. R. 2482. An act for the relief of Lonnie O. Ledford;

H. R. 2703. An act to provide for the representation of the United States Court of Appeals for the District of Columbia on the annual conference of senior circuit judges;

H. R. 2757. An act to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.;

H. R. 2774. An act for the relief of certain employees of the Division of Investigation, Department of the Interior, and certain disbursing officers of the Department of the Interior;

H. R. 2934. An act for the relief of Raymond E. Payne and Anna R. Payne;

H. R. 2983. An act for the relief of Mr. and Mrs. J. C. Porter;

H. R. 3002. An act for the relief of Timothy Joseph McCarthy;

H. R. 3075. An act for the relief of E. P. Lewis;

H. R. 3123. An act to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.;

H. R. 3262. An act for the relief of John H. Wykle;

H. R. 3284. An act to transfer Crawford County, Iowa, from the southern judicial district of Iowa to the northern judicial district of Iowa;

H. R. 3339. An act for the relief of Allie Rankin;

H. R. 3565. An act for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.;

H. R. 3809. An act for the relief of H. E. Wingard;

H. R. 3967. An act for the relief of Adele Fowlkes;

H. R. 4623. An act for the relief of C. O. Eastman;

H. R. 4679. An act for the relief of John L. Summers, former disbursing clerk, Treasury Department; and Frank White, G. F. Allen, H. T. Tate, and W. O. Woods, former Treasurers of the United States;

H. R. 4682. An act for the relief of W. R. Fuchs;

H. R. 4711. An act to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as The Narrows in the State of Washington;

H. R. 4942. An act for the relief of A. L. Mallery;

H. R. 5102. An act for the relief of Mr. and Mrs. Frank Muzio;

H. R. 5258. An act for the relief of the Jackson Casket & Manufacturing Co.;

H. R. 5337. An act for the relief of Charles B. Murphy;

H. R. 5438. An act for the relief of Richard T. Edwards;

H. R. 5496. An act for the relief of Willard Webster;

H. R. 5652. An act for the relief of Frank A. Smith;

H. R. 5848. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 6049. An act to amend the Interstate Commerce Act;

H. R. 6144. An act to amend the Canal Zone Code;

H. R. 6230. An act for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration);

H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 6436. An act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act;

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River, between Clarkston, Wash., and Lewiston, Idaho;

H. R. 6692. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes;

H. R. 6763. An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land bank commissioner's loans for a period of 2 years;

H. R. 7021. An act validating and confirming certain mineral patents issued for lands situated in township 5 south, range 15 east, Montana principal meridian, in the State of Montana;

H. R. 7726. An act making appropriations for the first half of the month of July 1937 for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations;

H. J. Res. 41. Joint resolution authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama;

H. J. Res. 349. Joint resolution authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

#### ADJOURNMENT

Mr. LEA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Friday, July 2, 1937, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Wednesday, July 7, 1937, at 10 a. m., on H. R. 7158, to except yachts, tugs, towboats, and unriggered vessels from certain provisions of the act of June 25, 1936, as amended.

##### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE—POSTPONED

The meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, July 7, 1937, on H. R. 5182, and H. R. 6917—textile bills—is postponed until 10 a. m., Thursday, July 8, 1937.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

696. A letter from the Secretary of Commerce, transmitting the draft of a bill to define certain units and to fix the standard of weights and measures in the United States; to the Committee on Coinage, Weights, and Measures.

697. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, Mich.; to the Committee on the Public Lands.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KELLER: Committee on the Library. H. R. 7564. A bill to permit the erection of the Shenandoah Memorial in or near Ava, Ohio; without amendment (Rept. No. 1175).

Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on Irrigation and Reclamation. H. R. 7680. A bill to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley conservation district in New Mexico; without amendment (Rept. No. 1176). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Select Committee on Government Organization. H. R. 7730. A bill to authorize the President to appoint not to exceed six administrative assistants; without amendment (Rept. No. 1177). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CASE of South Dakota: Committee on Claims. H. R. 2649. A bill for the relief of Elva T. Shuey; without amendment (Rept. No. 1157). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3723. A bill for the relief of Milton S. Merrill; with amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3757. A bill for the relief of Rellie Dodgen; with amendment (Rept. No. 1159). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3776. A bill for the relief of T. T. East and the Cassidy Southwestern Commission Co., citizens of the State of Texas; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. H. R. 5615. A bill for the relief of Capt. B. B. Barbee; with amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5912. A bill for the relief of Judd & Detweiler, Inc.; with amendment (Rept. No. 1162). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5927. A bill for the relief of Walter G. Anderson; with amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7172. A bill for the relief of Jesse A. LaRue; with amendment (Rept. No. 1164). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7316. A bill to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Ethel Smith McDaniel; with amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 7458. A bill for the relief of John E. T. Clark; without amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7679. A bill for the relief of Livvie V. Rowe; without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. S. 184. An act for the relief of Josephine M. Scott; without amendment (Rept. No. 1168). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 826. An act for the relief of the estates of H. Lee Shelton and Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson; with amendment (Rept. No. 1169). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. S. 1219. An act for the relief of Pauline McKinney; with amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 1401. An act for the relief of Willard Collins; with amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. S. 1640. An act for the relief of Harry Bryan and Alda Duffield Mullins, and others; with amendment (Rept. No. 1172). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 1822. An act for the relief of Harry Burnett; without amendment (Rept. No. 1173). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2399. An act for the relief of R. L. McLachlan; without amendment (Rept. No. 1174). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration of the bill (H. R. 5878) to authorize the payment of the adjusted-service credit of William Francis Powers to his sister, and the same was referred to the Committee on Ways and Means.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND: A bill (H. R. 7739) to increase the hourly rates of pay for charmen and charwomen in the custodial service of the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. RAMSPECK (by request): A bill (H. R. 7740) to amend the Classification Act of 1923 (Public, No. 516, 67th Cong.) as amended; to the Committee on the Civil Service.

By Mr. DOUGHTON: A bill (H. R. 7741) to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts; to the Committee on Ways and Means.

By Mr. McREYNOLDS: Joint Resolution (H. J. Res. 437), to amend an act entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934", approved April 10, 1935, and to redefine the jurisdiction of the Special Mexican Claims Commission in certain particulars; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 7742) for the relief of James Peter Kalogris; to the Committee on Claims.

By Mr. BARRY: A bill (H. R. 7743) to correct the military record of Emil Bayer; to the Committee on Military Affairs.

By Mr. BOYLAN: A bill (H. R. 7744) for the relief of Frank J. Farrish; to the Committee on Claims.

By Mr. CULKIN: A bill (H. R. 7745) for the relief of H. H. Burnham and James W. Hagan; to the Committee on Claims.

Also, a bill (H. R. 7746) granting an increase of pension to Martha J. Brownell; to the Committee on Invalid Pensions.

By Mr. FLETCHER: A bill (H. R. 7747) granting an increase of pension to Jane A. Richardson; to the Committee on Pensions.

By Mr. HAVENNER: A bill (H. R. 7748) for the relief of William Edgar Taylor; to the Committee on Naval Affairs.

By Mr. LEWIS of Colorado: A bill (H. R. 7749) granting a pension to Elizabeth L. Lloyd; to the Committee on Invalid Pensions.

By Mr. MURDOCK of Arizona: A bill (H. R. 7750) to compensate Haldor S. Dever for injuries received on account of a collision with a Government truck, at or near San Carlos Indian Reservation; to the Committee on Claims.

Also, a bill (H. R. 7751) to compensate the heirs-at-law of Eleanor Dalrymple, deceased, for alleged wrongful death of Eleanor Dalrymple, on account of a collision with a Government truck, at or near San Carlos Indian Reservation; to the Committee on Claims.

Also, a bill (H. R. 7752) to compensate the heirs-at-law of Gilda Lipp, deceased, for alleged wrongful death of Gilda Lipp, on account of a collision with a Government truck, at or near San Carlos Indian Reservation; to the Committee on Claims.

By Mr. ROBSON of Kentucky: A bill (H. R. 7753) granting a pension to Addie Higginbotham; to the Committee on Pensions.

By Mr. THURSTON: A bill (H. R. 7754) granting an increase of pension to Eva P. Black; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 7755) granting an increase of pension to Margaret H. Jones; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2818. By Mr. BOYLAN of New York: Petition of residents of New York City, opposing change in Supreme Court by legislation without constitutional amendment; to the Committee on the Judiciary.

2819. Also, resolution adopted by the Board of Estimate and Apportionment of the City of New York, approving and urging the passage of House bill 6841; to the Committee on Agriculture.

2820. By Mr. BUCK: Senate Joint Resolution No. 25, in the nature of a memorial, of the Legislature of the State of California, memorializing the President and the Congress of the United States to protect the rights of the State of California to its tidelands and the coastal area lying seaward of the State of California; to the Committee on the Public Lands.

2821. By Mr. COLDEN: Resolution adopted by the Sacramento Americanization Assembly, Sacramento, Calif., opposing the admission of the Territory of Hawaii to statehood; to the Committee on the Territories.

2822. By Mr. FORAND: Petition of the Retail Tobacco Dealers of America, Inc., favoring the enactment into law of House bill 6791, a bill to prohibit travelers from bringing into the United States more than 50 cigars duty free; to the Committee on Ways and Means.

2823. By Mr. GILDEA: Resolution of the Pennsylvania Pharmaceutical Association, urging the enactment of the Tydings-Miller Fair Trade Enabling Act; to the Committee on the Judiciary.

2824. Also, resolution of the thirty-third convention of the Brotherhood of Locomotive Firemen and Enginemen, supporting necessary legislation to fully protect the children of today and years to come by enactment of child-labor legislation; to the Committee on Labor.

2825. Also, resolution of the thirty-third convention of the Brotherhood of Locomotive Firemen and Enginemen, endorsing the Honorable Franklin D. Roosevelt's court reform program; to the Committee on the Judiciary.

2826. By Mr. HILDEBRANDT: Petition protesting against the Sheppard-Hill bill; to the Committee on Military Affairs.

2827. Also, resolution regarding crop control and soil conservation; to the Committee on Agriculture.

2828. By Mr. HOOK: Resolution forwarded by John Stone, as chairman of the Finnish American Clubs of the Upper Peninsula of Michigan, urging the Congress of the United States to adopt the amendment to Senate Joint Resolution No. 135, so that Finland and the Finnish people may be invited to participate in the tercentenary celebration of the first permanent settlement of the Delaware River Valley in June 1938; to the Committee on Foreign Affairs.

2829. By Mr. KRAMER: Resolution of the City Council of the city of Los Angeles, relative to relief appropriations, etc.; to the Committee on Appropriations.

2830. Also, resolution of the Brotherhood of Locomotive Firemen and Enginemen, relative to child labor, etc.; to the Committee on Labor.

## SENATE

FRIDAY, JULY 2, 1937

(Legislative day of Tuesday, June 15, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 1, 1937, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

#### ORDER FOR RECESS TO TUESDAY

Mr. ROBINSON. I ask unanimous consent that when the Senate concludes its labors today it adjourn until 12 o'clock noon on Tuesday next.

Mr. McCARRAN. Mr. President, may I ask a question of the Senator?

Mr. ROBINSON. Certainly.

Mr. McCARRAN. I am not familiar with the rule, and I must apologize for my ignorance in the matter. If a measure is taken up today as the unfinished business and is not disposed of, does that mean that it goes over until Tuesday as the unfinished business for that day?

Mr. ROBINSON. Yes; it would. Any measure before the Senate today and not disposed of at the time of adjournment would be the unfinished business on the reassembling of the Senate on Tuesday.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas that when the Senate concludes its work today it take a recess until Tuesday next? The Chair hears none, and it is so ordered.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	King	Radcliffe
Andrews	Connally	La Follette	Robinson
Ashurst	Copeland	Lewis	Schwartz
Austin	Davis	Logan	Schwellenbach
Bailey	Donahay	Loung	Sheppard
Bankhead	Ellender	Lundeen	Steiner
Barkley	Frazier	McAdoo	Thomas, Okla.
Berry	Glass	McCarran	Thomas, Utah
Bilbo	Guffey	McGill	Townsend
Black	Hale	McKellar	Truman
Bone	Harrison	McNary	Tydings
Borah	Hatch	Minton	Vandenberg
Brown, N. H.	Hayden	Murray	Van Nuys
Bulow	Herring	O'Mahoney	Wheeler
Burke	Hitchcock	Overton	White
Byrd	Hughes	Pepper	
Capper	Johnson, Calif.	Pittman	
Caraway	Johnson, Colo.	Pope	

Mr. MINTON. I announce that the Senator from Connecticut [Mr. MALONEY] is absent because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from Ohio [Mr. BULKLEY], the junior Senator from South Carolina [Mr. BYRNES], the Senator from Missouri [Mr. CLARK], the Senator from Illinois [Mr. DIETERICH], the Senator from Wisconsin [Mr. DUFFY], the senior Senator from Georgia [Mr. GEORGE], the senior Senator from Rhode Island [Mr. GERRY], the Senator from Iowa [Mr. GILLETTE], the junior Senator from Rhode Island [Mr. GREEN], the Senator from West Virginia [Mr. HOLT], the Senator from Oklahoma [Mr. LEE], the senior Senator from New Jersey [Mr. MOORE], the Senator from West Virginia [Mr. NEELY], the Senator from North Carolina [Mr. REYNOLDS], the